

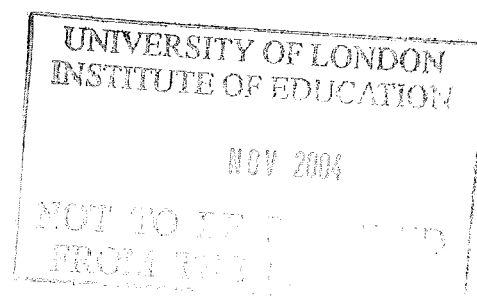
Institute of Education, University of London

**Degree of Doctor in Education**

**THESIS**

Social capital and institutional change  
in higher education:

the impact of international programmes in Eastern Europe



**Paul R Temple**

**2004**

REFERENCE ONLY

## UNIVERSITY OF LONDON THESIS

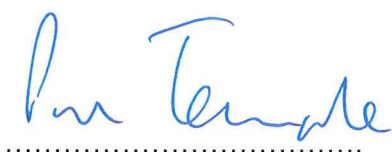
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## Abstract

This thesis examines institutional change in higher education, through case studies of aspects of two broadly similar institutions in Poland and Romania. It finds that, during the 1990s, international programmes supported institutional change in these cases to a significant extent, although probably not with the results that the funding organisations anticipated. The case studies suggest that such programmes have been most effective in supporting change when they have encouraged relatively small-scale, academically-led initiatives, in contrast to national-level, externally-driven programmes. It is proposed that this difference in effectiveness in promoting sustainable organisational change relates to the extent to which international programmes have assisted in the formation of social capital within the institutions. Organisational social capital is formed through intense, local engagement in the activity concerned, leading to individual and institutional learning. Social capital created in one context may then be available to support other aspects of organisational development.

Social capital theory thus provides insights into the process of organisational change, particularly in the complex structural and procedural circumstances of higher education. This thesis examines why social capital is an important, if often overlooked, factor in understanding change in these settings, particularly in Eastern Europe, where political arrangements before 1989 were not generally conducive to social capital formation. The particular organisational arrangements of the universities there are also important factors in understanding institutional change. A theoretical account of social capital formation and organisational change in higher education is offered, with proposals as to how this may be relevant to structural and operational matters in higher education institutions in transitional countries more widely. The thesis draws conclusions about how international projects in higher education might be designed so as to create social capital more effectively, and thereby to support sustainable institutional change.

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## Acknowledgements

I should like to express my gratitude to the members of staff of the two Universities studied here, who not only gave up their time to speak to me, but also provided the warmest of welcomes to a foreigner. My particular and most sincere thanks are due to Professor Iordan Petrescu in Bucharest and Professor Wojciech Gilewski in Warsaw, both of whom, in arranging my visits to their Universities, went far beyond what was reasonable to expect. Mr Tony Barton, formerly of City of Bath College, and Mr Pentti Rantasalo, of the Amiedu organisation in Helsinki, kindly provided me with information from the perspective of Western partners in international projects. I should also like to acknowledge the assistance of Dr Elena Sandulescu, who acted as my interpreter in Bucharest.

My supervisor at the Institute of Education, Dr Ann Hodgson, has been an unfailing source of guidance throughout my doctoral studies, and I owe much to her support.

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### Notes:

1 This thesis draws on findings first reported in my Institution Focused Study, submitted in May 2003 under the Doctor in Education programme.

2 Financial amounts throughout are expressed in US dollars, converted as necessary at the date in question.

3 In the list of references, I regret that it has not been possible to print Polish and Romanian diacritical marks.

# 1 Introduction: the research question and the context

This thesis investigates the impact of international programmes on organisational change and effectiveness in universities in Eastern Europe. Specifically, the research question that it examines is: *insofar as international programmes have succeeded in supporting institutional change in universities in Eastern Europe, has the process essentially involved the formation and the application of social capital within the institutions concerned?*

This research question arose as a result of my research for my Institution Focused Study (IFS), submitted as part of my doctoral studies in May 2003. This thesis develops the case study work at the Romanian institution which was described in my IFS, and makes comparisons with a similar study undertaken at a Polish institution. In both locations, a study of the operation of specific international projects is made, in order to collect comparative empirical data related to the research question. Other relevant data are also examined.

My IFS work suggested to me that social capital theory might offer a potentially powerful conceptual framework for understanding the processes of institutional change in universities in Eastern Europe. The concept of social capital, I will argue, offers a means of analysing the modernising impacts of international programmes within universities in the region. Social capital may be defined as social networks, the norms of reciprocity and trust that arise from them, and the application of these assets in achieving mutual objectives (Putnam, 2000: 19; Schuller, Baron and Field, 2000: 1).

Social capital is implicated in theorising about networks at global, national and institutional levels, and their functions in generating economic growth and social change (Castells, 2000: 500; Maskell, 2000: 114). More precisely, social capital theory suggests that the way in which information is distributed and used by networks is crucial to societal or organisational effectiveness (Szreter, 2000). These insights are, I believe, particularly relevant to understanding change in transitional societies, where networks and information exchange (beyond the immediately personal level) have been historically restricted (Simons, 1993: 76). The related notion of trust - another approach to aspects of social capital - has

been a matter of increasing scholarly interest for over a decade, and has been linked, theoretically and empirically, to social and organisational effectiveness (Giddens, 1991; Fukuyama, 1995; O'Neill, 2002). The creation of trust, I will argue, is an important stage in enhancing institutional effectiveness.

Despite a range of logical, theoretical and empirical criticisms of social capital theory - which I discuss later - it remains, at the very least, both a useful shorthand to refer to this set of interlinked concepts, and a valuable heuristic device for generating new insights into them (Schuller, 2004: 18).

### **International programmes and higher education**

The place of higher education in the programmes of international aid agencies has varied over recent decades, at times being seen as crucial to the economic and social development of poorer countries, at other times being seen as less worthwhile than investment in basic education (World Bank, 1994: 84; Crossley and Watson, 2003: 91). In the countries of Eastern Europe considered here, which are in transition from communist systems to democratic, market-oriented ones, basic education, in the cities at least, is generally considered to be satisfactory (World Bank, 1996: 34). As a result, the international agencies have placed considerable emphasis during the 1990s on institutional and system-level change in the region's higher education. The need to prepare countries socially and economically for EU accession, and concerns about instability on the EU's frontiers, have also been factors in attracting international support (Mazower, 2000: 126).

The reconstruction of higher education has, equally, been a priority for most of the governments of Eastern Europe since the collapse of communism in 1989 (Sabloff, 1999). This emphasis reflects a number of factors, among them a wish to nurture national cultures in reaction to communist policies, and to re-connect with international humanistic and scientific learning after decades of relative isolation. There is also an appreciation that, in a global economy, the traditional primary and heavy manufacturing industries of the region have limited long-term prospects, and that new forms of wealth-creation can only come from better-educated populations (World Bank 1998: 2). It was also significant that, in many countries, academics and students had been leading figures in the national



democratic movements which, through the 1980s, had helped to undermine any remaining legitimacy of the communist regimes. This was a particular feature of Poland's transition (Davies, 2001: 22).

While the majority of international funding for higher education reform in Eastern Europe has been directed towards curriculum updating, academic staff development, research support and modernisation of facilities, a significant share of funding overall has gone to support what is generally described as managerial reform (CEP, 1997: 70). This includes training for academic and administrative leaderships in Western-style management methods; technical assistance in creating systems for financial, quality or human resource management; the introduction of computerised management information or library systems; and other similar developments. This study will examine the impact of projects in both categories, academic and managerial, on organisational change.

Where justification has been offered for a focus on organisational or management matters by international programmes, the tendency has been to emphasise the need to improve the efficiency of the higher education system in question (usually to enrol more students for the same resource input); and to improve its effectiveness (by responding to student demand for a wider subject choice, improving the standards of teaching and research, or widening access, for example) (World Bank, 1998: 4). Certainly, from a Western perspective, the higher education systems inherited from the communist regimes appear to be generally of relatively high cost and low quality, with a focus on producing specialists to serve the needs of a largely vanished planned economy (World Bank, 1996: 13).

Achieving effectiveness and efficiency improvements to address these problems requires significant change at institutional level, implying new management challenges. This provides the rationale for this study, which seeks to explore the impact of international aid programmes on university organisation, and on institutional effectiveness and efficiency.

An improved understanding of the impacts of the investments by international programmes on institutional effectiveness and efficiency should be important in the planning of future programmes by the agencies involved. But the national

systems and institutions concerned should also be aware of how their educational traditions may be - perhaps, should be - changed.

Although international agencies do typically commission evaluations of large-scale aid projects, these do not usually take the form of detailed institution-level studies of the type undertaken here. Instead, there tends to be emphasis on the management of the project as a whole, on auditing its "deliverables" (to use project jargon), and on what is perceived as its overall impact in terms of the criteria originally set for the project. Thus, the "lessons of experience" drawn by the World Bank from its higher education lending programmes are mainly national-level ones concerned with the "interrelatedness of academic programs and institutions" and the importance of strengthening "systems of higher education to produce sustainable improvements" (World Bank, 1994: 82). An even broader view is taken in the evaluation made by Kehm and her colleagues of the European Commission's TEMPUS programme (discussed in more detail later), which reviewed the programme's impact across 110 institutions in 11 countries (Kehm et al., 1997).

I suggest that programme-level evaluations of this type often overlook the fine detail of change at the micro-level: what individuals (and, by extension, institutions) actually do, and why. Trans-national evaluations also suffer from the methodological weakness of having to assume that statements by respondents in widely differing circumstances are directly comparable (Crossley and Watson, 2003: 120). Thus, there must be doubts about some conclusions in Kehm et al.'s generally valuable study, when, for example, respondents are asked to rate the extent of institutional change on a scale of 1 to 5 (1997: 233). What may be "very substantial change" to an institution in one country may be considered almost "no change at all" in another, in very different socio-economic circumstances. While this may in itself be a valid finding, if it can be calibrated, there can be little confidence in the summary resulting from the aggregation of these data. This provides an example of how, by relying on macro-level analysis, international agencies may be led to draw misleading conclusions about what programmes have achieved.

## **The case study institutions**

This study aims to make a contribution towards filling this gap in understanding about the impact of international programmes on institutional change, by linking macro-level programme objectives with micro-level outcomes. It examines the impact of such programmes on institutional change and the management of higher education through case studies of two institutions.

One is a Polish university institution, Politechnika Warszawska, Wydział Inżynierii Lądowej (WIL): that is, the Faculty of Civil Engineering of the Warsaw Polytechnic, which describes itself in English as the Warsaw University of Technology. (I shall follow this usage by referring to the modern institution as “the University”, while describing the pre-1989 institution by its then-current title of “Polytechnic”.) The other institution is a Romanian university, the Universităţea Tehnica de Construcţii Bucureşti (UTCB), or the Technical University of Civil Engineering, Bucharest. UTCB provided the case study for my IFS.

By examining change in individual institutions, this study will aim to throw light on whether investment by the international agencies has had the desired impact (what was supposed to change?, what has actually changed?); and whether this impact has been beneficial in terms of institutional effectiveness. My aim is that consideration of these issues will lead to some new theoretical insights into the process of institutional change in transitional states, drawing on general models of change in higher education. Some at least of the findings from these case studies will probably also be relevant in other transitional states, particularly those in the region (Schopflin, 2000: 170).

Poland and Romania rarely seem to be selected as sites for comparison, despite being easily the two largest states in Central and Eastern Europe (in terms of population and area), having had a common border in the inter-war period, and now being only 100 kilometres apart at the closest point (map at Annex A). This may be because while Poland has been widely perceived in the West as an “advanced” Eastern European country, and often grouped with the Czech Republic, Hungary and the Baltic states, Romania by contrast is grouped with the Balkan countries: poor and problematic, when not actually bloody. Together, the two countries therefore exhibit a wide range of the characteristics of the

transitional states, and the differences and similarities of their universities make for a potentially fruitful approach in terms of comparative methodology.

UTCB in Bucharest is a mid-size university in local terms, with about 7,000 students and just under 500 members of academic staff. Its academic profile covers applied sciences, computing, surveying, building and engineering economics, and mechanical engineering, as well as civil engineering disciplines. It has, by Western standards, a fairly small postgraduate programme, with some 150 research students, though it should be noted that the normal first degree in engineering is a five-year programme, typically involving highly-specialised study (UTCB, 2001).

WIL in Warsaw has an academic profile more focused on core civil engineering subjects, covering both theoretical and applied topics. It is smaller than UTCB, with some 2,500 students, of whom about 100 are postgraduate, and some 150 members of academic staff. The University of which WIL forms part is, however, very large, with some 30,000 students in all, and is widely regarded as Poland's leading technological institution. Like UTCB, WIL has traditionally offered a five-year programme for the first degree, but is now in the course of moving to a pattern of four-year, credit-based first degrees, in line with the Bologna process (Warsaw University of Technology, 2003).

Most of UTCB's facilities, including its central administration, are located on its modern campus on Bulevardul Lacul Tei, a few kilometres from the centre of Bucharest. The University also retains its original nineteenth-century premises in the central area of the city. WIL is housed in a modern block on the University of Technology campus, close to the historic main Polytechnic building on Plac Politechniki, in central Warsaw. The character of the accommodation of both institutions can perhaps best be described as functional.

The choice of these two institutions for study recognised that each was small enough for their structures to be comprehensible to an outsider, but large enough to exhibit most key local characteristics. I was also able to negotiate access through local connections.

My work on UTCB builds on my earlier study there, but pursues different research goals. The study of WIL provides a comparative dimension, allowing me

to see if my findings might apply more generally, or at least in other similar settings. WIL is ideal for this purpose, being comparable with UTCB in size and in academic orientation. More fundamentally, the two institutions come from the same intellectual tradition: both trace their origins to nineteenth-century technical institutions founded in the two capital cities, with both, as it happens, drawing to some extent on French models of technical education (Fatu, 1998; Warsaw University of Technology, 2003). WIL traces its origins to 1826, predating the 1898 creation of the Polytechnic itself. UTCB's origins lie in the first Romanian technical institution established in 1864, only a few years after the formation of the Romanian state.

Both institutions were then strongly influenced by the Humboldtian tradition of university organisation as it became dominant in nineteenth-century Central and Eastern Europe. Both also found themselves at centre-stage throughout "the era when Europe took leave of its senses" (Davies, 1996: 897): the First World War, the collapse of imperial power at its end, with national reconstructions and regional power struggles; then the horrors and dislocations of the Second World War, leading to the imposition of communist rule throughout the region in the late 1940s. Now, perhaps at the start of a new European era, both institutions are in countries set on re-establishing their European identities, with Poland one of the newest members of the European Union, and with Romania's accession tentatively planned for 2007.

While even a casual visitor can readily observe that Poland and Romania are countries with very different cultures, the historical similarities between these two institutions, as well as their shared experiences of a turbulent twentieth-century, are striking. My selection of institutions seemed to me to be suitable in terms of comparative studies, providing both enough similarities to make comparisons realistic, but with sufficient differences to allow analysis of how and why such differences have arisen. That is to say, my aim was "to make sense of diversity across cases in a way that unites similarities and differences in a single coherent framework" (Ragin, 1987: 19). I discuss comparative methodology more fully in chapter 2. By strongly contextualising my cases, I hope to avoid the criticism levelled at much organisational research as being "ahistorical, aprocessual and acontextual" (Pettigrew, 1995: 93).

## **Change in higher education in Eastern Europe: introductory remarks**

In the universities throughout Central and Eastern Europe, the post-communist reconstructions after 1989 generally involved the removal of the formal ideological component of the curriculum and attempts at reducing state control of academic life, by re-introducing elected university senates, for example. The Romanian universities had suffered from particularly harsh ideological control and secret police intimidation (Deletant, 1995: 166). After 1989, programmes were developed by the international agencies to support the social sciences and the humanities (fields which were previously prohibited or severely constrained), together with organisational and professional development, physical upgrading, the re-establishment of international links, and other tasks (Cristea and Gilder, 1997). The operation of some of these programmes is a central interest of this study.

The Polish universities, in contrast, had been able to retain a greater degree of intellectual and organisational autonomy under communism (Connelly, 1999). They fought, it is said, "unyieldingly to defend their own autonomy and the right to independent scholarship" (Palka, 1995: 158). Poland's less severe political climate, certainly when compared to Romania during the 1970s and 1980s, allowed universities the scope for this - which is not to say that they were not deeply politicised and subject to close ideological scrutiny by the communist authorities (Garton Ash, 1991: 9). Nevertheless, the relative freedom allowed by "the Polish road to socialism" permitted the establishment of KOR, the Workers' Defence Committee, which crucially brought together the workers' and intellectuals' opposition movements, leading to the establishment of the *Solidarność* (Solidarity) movement in 1980 (Davies, 1996: 1108). Solidarity's public defiance of the communist state, including organising a national academic strike of all universities and colleges in autumn 1981, would have been inconceivable in Ceauşescu's Romania. Even Poland's subsequent military coup of December 1981, and the outlawing of Solidarity under the regime of General Jaruzelski, was a mild affair (though few Poles would, I think, accept this judgement) compared with communist state repression and violence elsewhere (Davies, 2001: 24).

After the 1989 revolution in Romania, perhaps to a greater extent than in most Eastern European states, important system-level changes in the organisation,

control and financing of state higher education set the context for institution-level changes (Miroiu and Dinca, 1999; Korka, 2000). As I show later, these system-level changes were in large measure encouraged through international programmes. New approaches to the funding of higher education included the introduction of methods for distributing public funds more equitably to institutions, and allowing them to raise, and retain, income from student fees and other charges. Following study of Western European models, national academic accreditation and quality management systems were introduced (Billing and Temple, 2001).

In Poland, system-level reform began immediately after the final local collapse of communism in 1989, with significant legislative changes affecting higher education governance, finance and other matters taking place in 1990 and 1991. Government funding for the universities still, however, continues the communist-era tradition of financing inputs to the education process: funding is strongly directed towards supporting historic costs, notably a predetermined staff establishment and heavily-subsidised student hostels (Socrates National Agency, 2002: 48). This slow pace of change has encouraged a vigorous debate about the balance to be struck in funding higher education between the direct contributions of students and those of the taxpayer (Canning et al., 2004).

These changes in both countries can be seen as part of the wider modernising process in education taking place in the region - the move from pre-modern to modern systems (Cowen, 1996). The current rapid pace of change makes the identification of the political and sociological modernising forces at work problematic, however. The societies themselves are still in transition from authoritarianism to more Western-style democracies (Schopflin, 2000). As a result, decision-making processes are often opaque and there is only a weak notion of public interest. This has implications for researchers attempting to identify the direction and causes of change, as a great deal depends on personalised decisions made, it sometimes appears, arbitrarily, with little open discussion. Examples of these conditions will be seen in this study. Driving much of this process of change and modernisation are the major multilateral aid agencies active in the region - the World Bank and the European Commission. Their programmes for higher education reform are considered in this study.

## **Summary**

This introduction has identified the main features of this study: the political and organisational contexts; the case study institutions; the international programmes; and the theoretical approaches to be used. Later chapters will examine these features more closely, before presenting some conclusions drawn from consideration of their inter-relationships.

## **Structure of this thesis**

After presenting my overall theoretical and methodological approach to this study (chapter 2), and describing its design and operation (chapter 3), I go on to offer an account of the relevance of social capital theory to the study of higher education institutions (chapter 4). This provides the distinctive theoretical basis for the thesis. I then offer some notes towards a general model of change in higher education institutions (chapter 5), drawing on my presentation of social capital theory.

I follow this with a brief account of the historical and political contexts of Polish and Romanian higher education (chapter 6), with some observations on the organisation and management of universities in the two countries (chapter 7). These chapters help provide a contextual understanding of the institutional changes which I later describe.

Moving on to the specifics of my two case studies, I describe the international programmes which have been aimed at supporting change in higher education in Poland and Romania (chapter 8). I then present the findings of my empirical work investigating the impact of these programmes in my two case study institutions (chapter 9). My aim here is to show how social capital theory, by informing a model of change in higher education, can help in understanding the process of change in actual cases.

I then identify what seem to me to be the implications of these findings for managing change in higher education more broadly, and the particular implications for international programmes in the field of higher education reform (chapter 10), and offer some concluding remarks (chapter 11).



My final section offers some personal reflections on the work of the international programmes in Eastern Europe, and on the origins of this study.

## 2 Theoretical and methodological perspectives

### Theoretical perspective

The aim of this study is to examine organisational change in two university institutions in different countries, in order to assess whether social capital theory can help in understanding the impact of the programmes of international agencies for the support of higher education. It is hoped that some theoretical and practical issues concerning institutional change may arise as a result. The project is conceptualised as an academic study, rather than as commissioned research. Nevertheless, it can be classified partly as a policy analysis project, dealing with the delivery of policies and the examination of their outcomes, although it is also a social scientific project, in the sense of seeking to understand human interactions in a particular social setting (Ozga, 2000: 40).

It might be thought that a study related to social capital theory would be likely to be constructionist in its theoretical perspective. After all, social capital (discussed in more detail in chapter 4) has no tangible form: though it can, it is argued, lead to tangible results, it exists only in terms of social relationships and the meanings and weights which individuals place on those relationships. In that "what constructionism claims is that meanings are constructed by human beings as they engage with the world" (Crotty, 1998: 43), it might then appear to offer a useful perspective from which to analyse the workings of social capital.

But this study seeks to do more than, for example, to discover individuals' perceptions of relationships: it seeks to explore the extent to which social capital has been created and used within an actual context - in this case, that of managing, and working in, a contemporary university. It seems to me that the work of a theorist such as Lin, who seeks to apply social capital theory to show how particular social resources take on value, to explore their "structural embeddedness" and the utilisation of such resources (Lin, 2001: 29), must be open to a broadly realist interpretation. If this is not so, then most, perhaps all, of the explanatory power of the theory is lost, once the constructionist position is accepted, that a specific social situation simply represents one possible set of "multiple, intangible mental constructions" (Guba and Lincoln, 1998: 206).

Moreover, the constructionist view, that the distinction between the researcher and what is being researched is blurred (Guba and Lincoln, 1998: 207), must in any event imply narrow limits to the generalisability of any research emerging from this paradigm.

Indeed, it is hard to see how anything approaching a "theory" of social capital could emerge from research conducted strictly within the constructionist paradigm. Following Strauss and Corbin (1998b: 22) and Pring (2000: 124), and in contrast to the constructionist position, I take "theory" in this social scientific context to mean a set of propositions (provisional, and potentially refutable), describing how certain defined categories are related systematically to form a conceptual structure that explains, and permits some prediction about, a social phenomenon. I propose that social capital theory, as I apply it in this study, meets this standard.

In this study, I will adopt a theoretical perspective similar to that proposed by Pring when he argues that, far from individually constructing the world, as constructionists would propose, "we acquire those constructions which (although socially developed) are possible because of certain features of reality which make them possible" (Pring, 2000: 51). Thus, the study will proceed from the standpoint that while certain social resources may be, as Guba and Lincoln might say, "intangible mental constructions" - a relationship involving trust, for example - when considered in terms of social capital, we may relate these resources to what we consider as the reality of (in this example) trust. This carries a tangible value which can be put to everyday, practical use (Lin, 2001: 21). That is to say, social capital theory attempts to examine and categorise aspects of the concrete consequences which follow from the understandings of the world which people hold.

### **Methodologies and methods**

In approaching the topic, I will draw on grounded theory methodology, which I believe fits with the nature of the research problem. The primary research approach will be the case study, based on interviews and supported by documentary analysis and historical contextualisation. The purpose will be to examine organisational change in two institutions, in different countries, to assess

whether social capital theory can help in understanding these changes, and to relate them to the actions of the international aid agencies.

Grounded theory (Glaser and Strauss, 1967), with its emphasis on being "faithful to the everyday realities of a substantive area [with a theory] that has been carefully induced from diverse data", and the constant interplay between inductive and deductive methods (Strauss and Corbin, 1998a), proved to be valuable in this study. Grounded theory helps the research process at several stages: in linking together data gathered from a variety of sources; in the organisation of these data; in the process of conceptualising them; and in relating them through theoretical propositions. Grounded theory proposes "microanalysis" to extract as much understanding as possible from the data that have been collected (Strauss and Corbin, 1998b: 65), a technique which I have applied here. It was the approach from grounded theory, producing provisional hypotheses to explain relationships, that led me in my earlier research to consider the application of social capital theory in understanding institutional change. Moving from what the researcher might "see and hear and to raise that to the level of the abstract, and then to turn around again and move back to the data level" (Strauss and Corbin, 1998b: 8) is, it seems to me, a helpful way of thinking about the qualitative research process in an institutional setting.

Case studies are an appropriate choice for research which seeks to understand the complexities of the interactions between the various local and international institutions to be examined in this thesis. The method has been defined (Merriam, 1988) as an examination of a specific phenomenon which forms a bounded system: it is "an instance drawn from a class". Another definition places emphasis on the case study being a research strategy dealing with a contemporary phenomenon, placed in its context, using multiple sources of evidence. It seeks holistic description and explanation: it is valuable in that "human systems have a wholeness or integrity to them rather than being a loose connection of traits" (Cohen, Manion and Morrison, 2000: 181). This holistic approach contrasts with research strategies which tend to treat entities merely "as collections of scores on variables" (Ragin, 1987: x), and which may accordingly fail to represent the complexity and inter-connectedness of the phenomena under investigation. The case study is suited to situations where it is impossible to separate the phenomenon's variables from their context, and where, in any case, the context is likely to be relevant to the phenomenon under investigation (Yin, 1994).

The character of this study is consistent with these definitions. The contextual issue is particularly relevant here, as current change in the case study institutions is embedded in a complex context, with layers of historical, political and intellectual understandings interacting with one another. For this reason, a quite detailed contextual account is offered in chapter 6.

Merriam suggests that case studies can be considered in three broad categories. Descriptive case studies provide accounts of phenomena or events. Interpretive case studies go further, by developing conceptual categories which provide the basis for inductive analysis. The third category, evaluative case studies, aim to explain causal links, or to describe a particular programme (Merriam, 1988). Stake adopts a broadly similar classification, using the terms intrinsic, instrumental and collective (Stake, 1998).

These categories can be rather difficult to apply in practice, but this study probably falls into the evaluative/collective category, where "understanding [the case] will lead to better understanding, perhaps better theorizing, about a still larger collection of cases" (Stake, 1998: 89). The aim of this study is to develop a perspective which transcends the particular case: hence the relevance of grounded theory methodology, with its inductive emphasis, to the research strategy. The selection of the cases is therefore clearly crucial: theoretical sampling is adopted here - that is, the case is selected on theoretical rather than statistical grounds. This is appropriate when the aim, as here, is to "replicate or extend emergent theory" (Eisenhardt, 1995: 72).

At the same time, it is necessary to keep in mind that "the study of the singular", while aiming to throw light on a wider field, is actually only that – studying a particular social structure (Pring, 2000: 42). The aim must be to try to identify which of its features are truly singular, and which are common to a larger class of generally similar social structures.

Sporn (1999), in her study of how certain US and European universities have adapted to changing environmental conditions, adopted a methodological stance similar to the one outlined here, of applying approaches from grounded theory to a small number of institutional case studies. I shall examine Sporn's conclusions from this work later.

In summary, this thesis may be said to take a post-positive theoretical perspective; to adopt a survey research-based and grounded theory methodology; and to use a primarily case study strategy.

### **Comparative and other theoretical issues**

This study also has a comparative dimension. Comparativists have drawn attention to the importance of understanding the differing cultural contexts within which education takes place, and to the limits of trying to apply in one national context lessons drawn from another (Watson, 2001: 29). In one sense, the difficulty is perhaps less acute when examining higher education than when basic education is the focus - higher education, after all, often claims to deal in universals (Barnett, 2003: 1). But the fact that universities in different countries may superficially appear to be similar can easily lead to unwarranted confidence on the part of researchers and policymakers about the extent of their understandings. Comparativists warn against making such easy assumptions when investigating other systems, and of allowing one's own values or preconceptions to colour one's conclusions (Crossley and Watson, 2003: 36). I will argue later that this is the error into which international agencies typically stray, by failing to notice historically-rooted, underlying differences between higher education systems. In this study, my aim has been to delineate the differing contexts, and to identify the limits to the conclusions that can be drawn from individual cases.

The clear differences discernible between Polish and Romanian institutions are helpful in a comparative context, where the selection of "polar types" as case studies is suggested. Patterns of similarities and differences are more readily identified as a result (Pettigrew, 1995: 103). This multiple-case study approach should allow for the production of contrasting results, but for predictable reasons - Yin calls this process "theoretical replication" (Yin, 1994: 46). A further benefit of selecting institutions from these countries is that it may be easier to identify social capital formation in settings where existing levels might, on theoretical grounds, be expected to be low (see chapter 7).

Notwithstanding the inductive emphasis taken from grounded theory and case study methods, prior theoretical propositions on change in higher education are

used deductively and in guiding the collection of evidence and its analysis. These will be considered within the framework of social capital theory, considered in chapter 4. Examples of the relevant literature dealing with higher education organisation and change are the work of Clark (1983); Becher and Kogan (1992); and Kogan et al. (2000). In particular, both Clark, and Becher and Kogan, draw attention to the likelihood of change in higher education not being sustainable when it fails to take account of deep-rooted institutional structures. This insight will be shown to be relevant to the analysis of the role of social capital in organisational change.

In a later work, Clark (1998) proposes a conceptual framework to help understand institutional transformation. Neave and van Vught (1994) offer insights into the role of government in achieving or preventing change in public universities, as do Kogan and Hanney (2000). These ideas also contribute to the present analysis, although the interplay between national policies and institutional change, crucial though it is, is not the focus here. Rather, this study examines primarily the interactions between institutional structures and cultures, and the international programmes. The emphasis is on studying the processes *within* the institution, rather than on how external pressures acting upon it have come about (although this is briefly considered). The conclusion from Kogan and Hanney's examination of recent change in UK higher education - that no simple explanation of change is adequate, as there is a complex interplay between developments within higher education institutions and external frameworks (Kogan and Hanney, 2000: 237) - is borne out in the present study.

It is essential to contextualise analysis drawn from social capital theory, and from studies of higher education made in other parts of the world, in the regional and national settings of Eastern Europe. The nineteenth and twentieth century historical contexts of higher education in both Poland and Romania are therefore outlined (Fischer-Galati, 1991; Longworth, 1994; Mazower, 2000; Davies, 2001), with particular emphasis on the communist and post-communist eras (Garton Ash, 1991; Deletant, 1995; Schopflin, 2000).

## **Ethical considerations**

The empirical aspect of this study was guided by the Code of Ethics of the British Educational Research Association (BERA, 2002). No particular ethical difficulties under the terms of this Code arose in this study. Those interviewed did not request the anonymity that was offered: participants probably saw no need, as they were being asked about matters of professional, rather than personal, concern. The organisational cultures in both Polish and Romanian universities appear to me to be generally rather robust, perhaps surprisingly so when considered against the legacy of communist repression. This may be in part, at least, the result of the maintenance throughout the communist period of aspects of the Humboldtian tradition, which I consider later, with the resulting relative independence of the professoriate. It may also be that a willingness to talk is a reaction to a history of repression and control: a long-denied luxury is now freely available. It also seems likely that people were more willing to talk openly to a foreigner, seen as being obviously distanced from the organisation and its personalities.

The identity of the cases studied here is not disguised - that would be to lose much of the impact of the study. This is a familiar dilemma in reporting case studies and ethnographic research (Atkinson and Hammersley, 1998: 118).

The ethical issue of which I was particularly conscious was that of using to no good purpose the time of those to whom I wished to speak. I was at least partly reassured on this point by the apparent interest shown by many of my respondents in the topics I raised with them. As I report later, a number of them had felt that their involvement with international projects had proved to be a defining feature of their post-communist professional lives, confirming that they were now truly part of a European intellectual and professional culture. They were correspondingly pleased, it seemed to me, to be asked to reflect on the experience.



### **3 Design and operation of the study**

The design and operation of the empirical aspect of this study comprised the elements described below.

#### **Planning**

This involved selecting the sites for study, as described; obtaining further contextual information about them; selecting a research strategy, also as described; and further consideration of the implications of the research question and the study of relevant literatures. A small number of projects funded by the TEMPUS programme (described in chapter 8) were selected from each institution for detailed study.

#### **Access**

This involved liaison with contacts at the two sites in Warsaw and in Bucharest, in preparation for the fieldwork; and devising a sampling strategy. For my IFS, I used what have been described as "experiential experts" (Morse, 1998), that is, the people who had been involved in various ways with international projects and who might therefore be in a position to throw light directly on my research question about these projects. This seemed to work well, and produced, I believe, data of high quality.

My sampling strategy on this occasion was to select a cross-section of university staff to provide possibly contrasting perspectives on a range of organisational issues. My intention, largely achieved, was to obtain data from members of the top management group (Vice-Rectors, Deans and Vice-Deans); the senior permanent officials (the Director-General Administration, the Chief Secretary, the Chief Accountant, and their colleagues); and a sample of academic and other staff who had been involved with international projects.

## Data collection

Fieldwork took place in Poland and Romania between December 2002 and February 2004. Semi-structured interviews were the main data collection instrument, supported by documentary materials obtained from the two institutions and from the national and international agencies involved.

Semi-structured interviews offered the only feasible data collection strategy, given that my research question implied obtaining data on subtle changes in attitudes, processes and organisational methods, mostly imperceptible to even the best-informed outsider. This approach also recognised the extent of the cultural and linguistic barriers to be surmounted. I judged that a questionnaire, for example, would have either been open to misunderstanding (if the questions had been complex), or would have elicited bland responses (if the questions had been simple), and in either case would not have allowed the follow-up questions which proved important in obtaining fine-grained data. Moreover, I had to guard against the interviews becoming simply accounts of particular international projects, rather than enquiries into their organisational impacts. This would have been a major risk in a questionnaire-based survey.

Equally importantly, a questionnaire would not have allowed the immediate follow-up contacts with individuals mentioned in an interview. Being on the spot allowed, with luck, contact with previously unknown members of the networks I wished to investigate.

Another possibility would have been to undertake a microscopic, perhaps word-by-word, study of certain "rich 'pockets' of especially representative, meaningful data" (Miles and Huberman, 1994: 81). This is the approach taken by Wenger (1999: 18) in presenting his "vignette" of office life, to which I refer in chapter 4. This technique has considerable attractions if the aim is to understand the fine detail of social interactions, although the decisions on choosing a particular vignette, and on its construction, need careful justification (Miles and Huberman, 1994: 83). It is likely, I believe, that this approach could provide valuable insights into the subject of my study. However, in this instance, the interactions of interest were now in the past, and so were not available for study in this way; and the language barrier, which I discuss below, would have made the task, for me, impractical. I therefore undertook data collection using semi-structured interviews.

The interviews had two aims. Firstly, they were designed to gather informants' views on the nature of their involvement in international projects generally over the last decade, and their views on the impact of these projects on organisational change in the institution. These data were all new to me in Warsaw; at UTCB in Bucharest, I re-interviewed some previous informants to examine their experiences in more detail, but also interviewed new subjects. These data provided the basic framework for my understanding of the impact of the international projects on the two institutions.

The second part of the interviews moved on to different ground. This focused on the creation and use of social capital as a result of participation in international programmes. I approached this by asking subjects to describe the networks that were created as a result of the projects in question, and by exploring the extent to which these networks were novel: did they lead to work being undertaken in new ways, did they include previously unknown people, or did they link with other networks, for example?

My intention here was to examine networks on the lines of Burt's paper describing the "network structure of social capital" (Burt, 1997). I was also interested in showing if the "structural holes" concept applied: structural holes are gaps between two or more networks, which may be bridged by a particular individual. It is proposed that this person plays a key role in the organisation or other social setting (Walker, Kogut and Shan, 2000). These are perhaps the kind of people described in an Eastern European university context by Dahrendorf (2000) as "venture social capitalists". There seemed to be potential policy implications in seeing whether or not such people existed. I report on this in chapters 9 and 10.

The list of my interviewees is given at Annex B.

I examined documentary data from both institutions about the projects, and from Western partners who had taken part in them. I also examined documents providing contextual information about institutional and national policies, as well as about the international programmes.

In the interviews, I raised a list of issues about institutional change, and asked respondents to consider these in relation to their knowledge of the international programmes with which they had been involved. These questions (see schedule at Annex C) covered process/structure issues, such as changes in the overall organisation of the institution; changes to the structure of central management; centralisation versus devolution within the institution; the effects of ministry policies and structures; the informant's personal experience of international programmes; and other matters. A cross-cutting set of questions asked about change in functional areas: in teaching and research; finance; human resources; and physical resources. A matrix, summarised in tables 5 and 6 (chapter 9), emerged. The issues themselves are examined in more detail in chapters 5 and 7.

Inevitably, the interviews followed the particular interests and experiences of the informant, and valuable information emerged as a result of respondents recounting anecdotal material. I was aware of the need to ensure both the adequacy (in terms of volume) and appropriateness (in terms of the range of experiences of informants) of the data collected. I then later reframed the data in the categories of table 1 (see next section), to focus more sharply on the research question.

A possible difficulty which I had anticipated was that respondents might not be aware that a particular change had in fact come about as a result of an international programme: they might have assumed it was home-grown, perhaps imposed by a ministry order. In fact, although middle-ranking staff were sometimes vague about which particular international programme they had been involved with, the fact that an impact resulted from the programme was generally well-understood.

The interviews were conducted with the help of an interpreter in Bucharest. The person I selected has a good understanding of both Romanian and Western higher education, and was able to fit into a subordinate role, thereby allowing my informants to concentrate on dealing with me, rather than with the interpreter. Although my own Romanian was (just about) good enough to follow the gist of what many informants said, I was inevitably reliant on the skill and good sense of my interpreter in presenting my questions accurately and sensitively, and in relaying the nuances of replies. As it turned out, a number of my most productive interviews were conducted with good English speakers. Perhaps this is not

surprising: in the region, knowledge of English may be associated with an outward-looking attitude. Most of my Warsaw interviews were conducted in English, with occasional help from Polish colleagues for interpretation.

While I was conscious throughout of the increased scope for misunderstanding created by the language barrier, regardless of the language in use at the time, the reasonably good understanding which I have of the context, structure and processes of Polish and Romanian higher education helped make the interviews productive. I was able to appreciate informants' references (to people, places, activities, and so on) more readily, and to place them in their organisational context. This is part of the qualitative researcher's work in "actively constructing knowledge about that world [being studied]" (Mason, 1996: 36). Nevertheless, where a conversation develops between interviewer, interviewee and, sometimes, the interpreter, during the attempt to reach as full an understanding as possible of the informant's position, the direct voice of the informant inevitably becomes somewhat diluted. This is why I give relatively few direct quotations in the chapter reporting on my fieldwork: they would in most cases have been rather artificial constructs, rather than the authentic voice of the informant.

The researcher, however, needs constantly to be aware of the reflexivity involved in conducting interviews, and in selecting and interpreting the data arising from them, whatever the techniques or the language used. It has been observed that the interviewer's craft "requires that one stand both within and outside a relationship" (Sennett, 2003: 38). As a result, the choice and framing of the interview questions, the manner of their delivery, and the selection of quotations or other data to present in the research report, can never be neutral: the researcher has to "come to grips with the reflexive, problematic, and, at times, contradictory nature of the data and with the tremendous, if unspoken, influence of the researcher as author" (Fontana and Frey, 1998: 69). The particular issue here, then, of a language barrier, is no different in kind to the problem about which all collectors and analysts of interview data need to be aware in dealing with the inevitably partial and selective collection and presentation of such data.

Most of my informants appeared relaxed and very willing to discuss their experiences in the areas of interest to me. Only one interviewee, at WIL, declined to have the interview recorded, the stated reason being embarrassment at what he said was his poor English. Several of the academics in both institutions

seemed glad of the opportunity to present strongly-held views about, for example, the need for faster change in their University. Some of the administrators appeared less relaxed (they would anyway be less used to "performing"), but were quite willing to answer questions about their work. As I have noted, it seems to me likely that my status as a foreigner, with no local position, encouraged people to talk in a way that they might not have done to a fellow Pole or Romanian.

I have considered the ethical issues arising in this study in chapter 2.

### **Data analysis**

I used the matrix shown in table 1 to provide the basis for a coding scheme to help analyse the interview data. This categorisation was helpful in identifying similarities and differences between the cases, an essential process in order to avoid basing conclusions on merely impressionistic data (Eisenhardt, 1995: 77), and led to the presentation given in chapter 9. The number of interviewees was relatively small, although some individuals were interviewed twice: the analysis was therefore relatively straightforward. Towards the end of the fieldwork in both institutions, similar issues began to recur in informants' responses, which suggested to me that conducting a larger number of interviews would be unlikely to generate significant new data: "theoretical saturation" had probably been achieved (Glaser and Strauss, 1967).

I found it helpful to seek to overlap data collection and analysis, by the use of field notes to try to take forward my thinking and to note contrasts with earlier findings. This method allows one to identify particular issues to pursue in more depth and to adjust the line of questioning as unexpected information emerges: to benefit from the "controlled opportunism in which researchers take advantage of the uniqueness of a specific case" (Eisenhardt, 1995: 75).

I cross-checked on some key points with a Ministry of Education official in Bucharest, and with British Council staff in both Bucharest and Warsaw.

Reflecting on my interview data subsequently, I see that at both UTCB and WIL most of the people I spoke to were either positive or neutral about the impacts of

the international programmes on the institutions. I had asked to speak to people who had had involvement with international programmes: it seems significant that these people were generally positive about the experience and the effects of the programmes. As I report later, many members of both Universities are said to be resistant to change, but nobody I met admitted to this. I cannot tell whether this is because my samples excluded the "traditionalists", or because, although they were sampled, they did not wish to discuss the matter with a foreigner, who might in their minds be associated with the promotion of such changes. I suspect the former, as such individuals would probably have been less likely to participate in international programmes in the first place, and thus would have excluded themselves from my samples.

Table 1  
*Data analysis matrix*

<i>organisational issue:</i>	<i>impact of particular project on organisational issue:</i>	<i>resulting impact on network formation and other social capital-related outcomes:</i>
central management structures		
academic structures (faculty, chair organisation)		
financial devolution and control		
information analysis and exchange		
teaching and learning issues		
research issues		
human resource/professional development issues		
external relationships		

An alternative survey design would have been to conduct a random sample of staff, so as to include people with and without experience of international projects. There would, however, have been major practical difficulties. In terms of my research question, probably most of the interviews in a simple random sample would have been unproductive, as the respondents would not have been involved with international projects, and would probably not have held particular views about them. They could accordingly have thrown no light on my central concern. A very large sample (beyond the resources available to me), or a stratified random sample (requiring detailed knowledge about the population's characteristics, which I could not realistically obtain), would have been needed to ensure that I sampled both traditionalists and modernisers in adequate numbers (Cohen, Manion and Morrison, 2000: 101). It is also likely, as I have suggested, that traditionalists would have been reluctant to speak frankly to an outsider. I therefore consider that my use of a purposive sample, focusing on those with involvement in international projects, was the most realistic and productive strategy in the circumstances.

### **Design and operation: conclusions**

Overall, I believe that the design and operation of the study were appropriate to the research question and the resources available, and worked well in practice. Nothing suggests to me that larger sample sizes from the two institutions would have pointed to different conclusions. The comparative dimension of the study appears to have produced useful data.



## 4 Social capital theory and institutional change in higher education

### The basis and scope of social capital theory

The concept of social capital, I believe, offers a way of understanding aspects of institutional change in the circumstances of this study. In particular, social capital theory provides a conceptual framework for considering the modernising impacts of international programmes on universities in the circumstances of transitional societies. While social capital in certain forms has, presumably, existed in all societies, we may consider that the fundamental need for trust under conditions of modernity (Giddens 1991: 102) provides social capital with a particularly significant role in modern societies. The need for so much of daily life to be literally "taken on trust" in late modernity is discussed further below, as are the rapidly changing circumstances of modernising transitional societies, where trust needs to be re-established. Both considerations suggest the need to consider the role of social capital in analysing change under such conditions.

Social capital may be defined as social networks and the norms of reciprocity and trust that arise from them, and the application of these assets in achieving mutual objectives (Putnam, 2000: 19). For Fukuyama, trust - by which he means the expectation of honest and co-operative behaviour by others, based on shared norms - is the central consideration:

"social capital is a capability that arises from the prevalence of trust in a society or in certain parts of it" (Fukuyama, 1995: 26).

Another theorist's definition focuses on networks, considering social capital to be:

"[the] resources embedded in social networks accessed and used by actors for actions" (Lin, 2001: 25).

Some social capital theorists also suggest that the way information is distributed and used is crucial to societal or organisational effectiveness, as access to information may reduce transaction costs and the risks involved in any new venture (Fukuyama, 1995; Szreter, 2000). The transfer of information through abstract, "expert" systems, which Giddens argues are a central feature of

modernity (1991: 83), requires high levels of trust. Trust, networks and information exchange may therefore be individual features of a larger phenomenon which it is convenient to describe as social capital.

Networks themselves, in various guises, have attracted a good deal of scholarly attention recently (Gibbons et al., 1994; Castells, 2000). Castells arguably overstates his case in claiming that now “networks constitute the new social morphology of our societies” (2000: 500), and his arguments tend to slide too easily from self-evident truths about information technology to larger claims about social transformations. Even so, his work points to the interest in exploring the implications of greater interconnectivity in modern life: how it comes about, and what its consequences may be. Gibbons et al. more specifically identify the developing phenomenon of networks as central features of firms in technologically advanced fields, and in the knowledge production and transfer associated with them. It seems to me likely that social capital theory will offer explanations as to how these networks operate in both cases, why they are effective, and how they might be developed.

The approach derived from social capital theory is particularly relevant to understanding institutional change in transitional societies, where recent historical experiences have, ironically enough in view of past communist rhetoric, led to limited notions, even suspicions, of the public realm. In these settings, zero-sum game mentalities - your gain must be my loss - tend to limit the free exchange of information (Schopflin, 2000: 179). Quite soon after the collapse of communism in Eastern Europe, Putnam pointed out that what he saw as the low levels of social capital in those societies, as a result of the destruction of civil society by authoritarian regimes, could lead to “amoral familism, clientelism, lawlessness, ineffective government and economic stagnation” (Putnam 1993: 183). While this certainly over-dramatises the conditions in Poland and Romania, Putnam does present a recognisable picture of the worst features of the “failed states” of former Yugoslavia and of several former Soviet republics.

Accounts of social capital theory often begin by considering the work of Pierre Bourdieu, particularly his book with J-C Passeron, *Reproduction in Education, Society and Culture* (Bourdieu and Passeron, 1977). Bourdieu's main interest in this book, however, is not in social capital in the sense that writers such as Putnam or Fukuyama consider it, but in the separate concept of cultural capital.

For Bourdieu, the manipulation of cultural capital, which he considers to be an arbitrary construct, is a strategy used by the dominant groups in society to maintain their power and privileges. The educational system is a tool, Bourdieu argues, designed for this purpose of maintaining domination, and is one of the chief means to this end.

In later work, Bourdieu deals specifically with social capital, which he considers to be simply economic capital appearing in another form - "disguised economic capital" (Bourdieu, 1986). This is not the place for an extended discussion of Bourdieu's work in this field, except to say that, despite him being considered "as one of the most important theorists of the modern university" (Delanty, 2001: 88), his approach has, for me (and for others), a number of logical and empirical difficulties which limit its applicability in the analysis of actual (as distinct from theoretical) educational structures.

Bourdieu attempts to analyse social capital by borrowing a model from the physical sciences, the law of conservation of energy: on this basis, he appears to argue that an increase in one form of capital necessitates a reduction in other forms, thus supporting his claim that economic capital (in an apparently fixed quantity) lies at the root of all notions of capital (Bourdieu, 1986). When capital appears in one of its "symbolic" forms, Bourdieu considers it to be "misrecognised" economic capital (Bourdieu, 1993: 75). This approach appears to ignore current understandings about how any kind of capital (physical, financial, human or social) might be created, and seems inconsistent with most theories of economic growth. It also appears to be a highly reductionist view of social dynamics in open societies.

Bourdieu's arguments in this area tend to lack empirical, as distinct from anecdotal, support. Educational structures and processes everywhere should, on his reasoning, be rigid and highly exclusive, as should be the arts and literature, if his analysis of those fields was correct (Bourdieu, 1993). Other writers have examined cultural capital empirically in terms of "a network of connections and contacts which kept members of the network afloat" (Sennett, 2003: 31), and have concluded that the elite groups possessing this form of capital rise and fall: its possession is not a guarantee of economic or political power. Lin also criticises Bourdieu's view of social capital on empirical grounds, noting that his view of how social networks may be used to maintain a position of privilege is

unrealistic and illogical in its own terms (Lin, 2001: 26). "Reproduction" is rarely easy. A further weakness of Bourdieu's position, as Delanty (2001: 98) reluctantly concedes, is that he does not explain how his own critique is possible under the conditions he claims prevail.

Generally, then, Bourdieu's work seems to have little to contribute to an empirical consideration of social capital in an organisational context.

To examine the roots of social capital theory, it may be helpful to go back to an earlier writer, and to an economist rather than a sociologist. Adam Smith is sometimes seen as the original proponent of unfettered individualism and free-market economics, and so perhaps an unlikely candidate as a progenitor of social capital theory; but as Sennett remarks in his examination of Smith's ideas on the individual and the demands of work, he was "a more complex thinker than capitalist ideology makes him out to be" (Sennett, 1998: 37). It may perhaps be that the well-known passage:

"It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest" (Smith, 1776/1999a: 119)

has created a misleading impression about Smith's understanding of the dynamics of society and of organisations within it. It is apparent from *The Wealth of Nations* that Smith saw efficient economic systems as essentially efficient *social* systems, with a framework of institutions able to organise and channel self-interested actions: he saw that "civilized society...stands at all times in need of the co-operation and assistance of great multitudes" (Smith, 1776/1999a: 118) - or, as we might say today, in need of effective social networks and social capital.

Blaug, in his survey of economic theory, points out that Smith believed that "self-interest is only enlisted in the cause of the general welfare under definite institutional arrangements" which he advocated (Blaug, 1968: 63). This view could equally well be presented in terms of social capital theory: for example, Smith would probably have subscribed to the modern view that "social capital facilitates...[the] most productive combinations [of human capital] and outcome, both for the individuals concerned and for the economy" (Szreter, 2000: 65). Smith also emphasises the inter-connectedness of economic and social life in the "new capitalism" of his day, observing that "what improves the circumstances of

the greater part [of the population] can never be regarded as an inconveniency to the whole" (Smith, 1776/1999a: 181). Today, he might have expressed such ideas in terms of social networks and reciprocities. (I should note that Fukuyama has also drawn attention to Smith's emphasis on the social basis of economic efficiency, though in a different context (Fukuyama, 1995: 13, 359). Smith's identification of what would now be called "negative social capital" - the exclusionary effects of certain types of network - has also been noted (Portes, 2000)).

In the context of this study, it would be pleasing to report that Smith, a University of Glasgow professor (1751-1764), and later its Lord Rector, had applied his ideas on the "need of the co-operation and assistance of great multitudes" to the internal working of universities. While he does certainly deal with aspects of university life in his writings, suggesting methods of paying academics that are "calculated to promote their diligence", and reaching the conclusion that "In the University of Oxford, the greater part of the public professors have, for these many years, given up altogether even the pretence of teaching" (Smith, 1776/1999b: 350), Smith seems to have overlooked the desirability of extending his thinking in this particular regard to higher education. Perhaps, to him, the point was too obvious.

Nevertheless, Smith's writing shows that the significance of social networks in promoting economic (and by extension, organisational) efficiency has been long recognised, if somewhat neglected theoretically. His work also points to the role of social capital theory in linking the external, or societal, and the internal features that support organisational effectiveness, a point to which I shall return.

More recently, social capital theory has come to be considered as an important conceptual approach in a wide range of social scientific studies, many with a comparative dimension. In disciplinary terms, its apparent explanatory power has attracted economists, political scientists, sociologists, and others (Kilpatrick, Field and Falk, 2001). It has been used to explain variations in governmental effectiveness (Putnam, 1993); variations in innovativeness between societies (Fukuyama, 1995); cross-national variations in economic growth (Whiteley, 1997); regional economic development processes (Cohen and Fields, 2000); the location of firms (Maskell, 2000); as a broad explanation of aspects of social structure (Lin 2001); and for many other purposes at micro, meso and macro

levels. So far as the field of education is concerned, a recent survey finds that between 1999 and 2001 "the visibility of social capital in educational research literature has sharply increased", with a shift reported from heavily-quantitative studies of, for example, educational attainment, to work using case studies and other qualitative designs to explore behavioural and attitudinal issues (Dika and Singh, 2002). The present study takes this path.

I suggest that social capital theory offers insights into how international programmes affect the organisational effectiveness of universities in transitional countries. There have been a number of studies examining organisational effectiveness in terms of social capital theory (Nahapiet and Ghoshal, 1998; Lesser, 2000), and I draw here upon this work. There has not, though, so far as I am aware, been any work directly addressing the role of social capital theory in explaining aspects of the operation of higher education institutions, although various writers on higher education have referred briefly to the concept (Duke, 2002). Neither the survey of social capital research in education by Kilpatrick et al. (2001), nor the more recent one by Dika and Singh (2002), offer any examples of the theory being used to explore organisational or managerial questions in higher education.

However, other writers have considered features of university organisation and management which, I suggest, might usefully be analysed in terms of social capital theory. Many of the salient features of Burton Clark's "entrepreneurial universities", for example, are those which might, in terms of the theory, be expected in organisations with high levels of social capital: organisational flexibility and creativity, for example (Clark 1998). Similarly, one might conclude from Shattock's account of effective structural forms and managerial approaches within universities that a high level of social capital is a necessary foundation for organisational success. In particular, it is surely present in the forms of trust-based collegial management and "dispersed leadership" which he argues are necessary to liberate the power of the institution's human resources (Shattock, 2003: 93).

It therefore seems that an approach to my research question drawing on social capital theory may be able both to offer some new insights into the nature of organisational change in universities, especially in transitional countries, and perhaps help to extend the use of the theory itself.

## The formation of social capital

The idea of social capital is, however, a contested one. Its very versatility has been a target of criticism, and its study is beset by logical difficulties. Is social capital a cause, or an effect? Is it a description, rather than an explanation? Can it be all of these? (Schuller, Baron and Field, 2000: 25). If it really is a form of capital, can it be measured, stored, and exchanged? - if it can in principle, can it be in practice? (Lin 2001: 28). Putnam, one of the most public proponents of social capital theory, has confronted these criticisms of his and others' work, dealing notably with the measurement issue (Putnam 2000: 417). He has sought to explore the empirical possibilities and limits in studying social capital, while admitting to the many difficulties of measurement in this field. Putnam's grading of US states according to indicators of their levels of social capital (2000), while thought-provoking, highlights many of the methodological difficulties which arise.

To connect social capital to organisational change, I propose that it is necessary to examine how it may be created. Unless we can discern the outlines of this process, the theory itself seems likely to offer little analytical purchase on the social, structural and developmental issues within organisations which we are seeking to understand. The complaint that proponents of social capital theory have failed to show how it can be used to remedy the problems which it often describes is, it seems to me, a fair one (Portes, 2000). We need, then, to know how social capital is constructed, if we are to know how it might be used. This understanding may also throw light on the conceptual problems noted.

It is suggested that social capital is created most readily under conditions of "homophily", when actors have similar lifestyles or socio-economic positions. Individuals are then thought to behave in rational, quasi-economic ways, in order to maximise their access to social capital as a means of acquiring and maintaining valued resources (Lin, 2001: 30). Homophily is a similar concept to that of "bonding" social capital, which is thought to strengthen group solidarity (Putnam, 2000: 22); and its alternative form, "bridging" social capital, produced when diverse groups are linked in some way, is akin to the concept of "heterophilus" relations.

Conditions within a university might at first sight be thought likely to be generally homophilus, and thus likely to be conducive to social capital formation. But these

are inexact concepts: how similar do people need to be in terms of lifestyles or socio-economic positions for the relationship to count as homophilus rather than heterophilus, or for bridging rather than bonding to occur? Might not two people with very large differences between them in terms of income and lifestyle consider themselves to have a great deal in common because of, say, a shared cultural interest? Might not people from the same ethnic community be more likely to trust one another, despite large differences in wealth? If so, the analytical power of these concepts must be very weak, as virtually everything will need to be known about individuals before any predictions can be made about bonding probabilities.

Furthermore, if we are interested in the way in which social capital might work within organisations, rather than in social relations more generally, then these concepts are emptied of meaning almost completely. Organisational relationships do not typically depend for their effectiveness on individuals having made similar lifestyle choices, or even having similar salaries, but on a large number of specific factors relating to that particular organisation, at that particular time – leadership, communications, and the establishment of shared goals, for example. These are matters susceptible to being managed and changed, within relatively short timescales: they are not relatively fixed, as are homophily and heterophily.

To explain the creation of social capital in organisations, we have, then, to look more closely at the operation of the organisation itself. Wenger's concept of "communities of practice" may help here, by throwing a more penetrating, realistic, and perhaps less deterministic, light on the dynamics of social capital formation within organisations. Wenger argues that:

"We all belong to communities of practice. At home, at work, at school... communities of practice are everywhere... Workers organize their lives with their immediate colleagues and customers to get their jobs done. In doing so, they develop or preserve a sense of themselves they can live with, have some fun, and fulfil the requirements of their employers and clients" (Wenger, 1999: 6).

Wenger's account of communities of practice comes close to describing the process of social capital formation and use, although he does not himself use the term. Instead, he describes how people in organisations, to handle their jobs, invent informal practices that are never captured in official accounts of how things are done; and how these practices are developed and shared by informal



networks within the organisation. Wenger's vignette of office life in an American insurance company, "Welcome to claims processing!" (Wenger, 1999: 18), could almost equally be used as a case study of social capital formation.

Crucially, the communities of practice concept offers a way into thinking about the dynamics of social capital formation and use in organisations by, in particular, introducing learning as a key feature. For Wenger, communities of practice facilitate and "own" important types of learning (Wenger, 1999: 45). Other writers on social capital, as noted above, have drawn attention to its role in facilitating information flow: indeed, this is, ultimately, what the networks which are at the centre of much social capital theorising actually do (Lin, 2001: 71). This suggests that social capital might itself be considered in relation to organisational learning, even as a form of learning - perhaps as "embedded learning", to adapt Lin's term. Thus, in organisational change, one function of social capital might be to facilitate learning (by making it seem a low-risk option, perhaps) and to enable it to spread through the organisation by using the pre-existing networks.

Other work exploring the relationships between social capital theory and learning by private individuals, rather than individuals in organisations, suggests that participation in learning may extend social networks, or help build new ones (Preston, 2004). The relationship is complex, however, and in the research referred to here, the direction of causation is not always apparent: individuals may be taking part in adult education as a result of involving themselves in civic affairs, for example, rather than vice-versa. Quantitative studies in this area confirm the difficulty of establishing this causal link unambiguously, and instead point to the creation of "positive cycles of development and progression" in which learning interacts with social capital formation and generally positive changes in various areas of peoples' lives - physical and mental health, tolerance, political involvement, and so on (Bynner and Hammond, 2004). I shall later describe evidence of such "positive cycles" being developed in my case study institutions, where benefits to both the institution and the individual may arise. But, as with some of the individual cases described by Preston, there may be negative consequences as well.

Giddens considers another aspect of organisational learning when he draws attention to the way in which modern societies and organisations rely on "expert systems": "When I...get into a car, I enter settings which are thoroughly

permeated by expert knowledge" (Giddens, 1991: 28), and in this potentially highly hazardous setting, it is necessary to take on trust that technical expertise, the very existence of which one may be only vaguely aware, will have been applied effectively. Giddens describes such systems as "disembedding mechanisms" because "they remove social relations from the immediacies of context" - they allow the "stretching" of the social systems which created the expert knowledge in the first place across time and space, and are thus, for Giddens, the essence of modernity (Giddens, 1991: 28).

To be effective, this disembedded knowledge has to be taken on trust as, in the intersecting complexities of modernity, no one person can properly understand all the various technologies involved in everyday life. Whereas in pre-modern times skills were understandable even to the unskilled, now they are "unfathomable - a difference in kind rather than in degree of ability" (Sennett, 2003: 74). While trust, as Fukuyama (1995) argues, is central to the effective functioning of any society, it becomes a defining characteristic of modernity.

In these circumstances, most organisations have to find ways of re-embedding aspects of this disembedded knowledge in their own, unique operational contexts, if it is to be applied effectively. This form of learning is, I propose, what we see going on in Wenger's insurance company case, and in some of the situations that I describe later here. New knowledge is being incorporated into existing understandings and processes. Social capital structures the framework of relationships within which such embedded learning can occur reasonably smoothly. As with the cases of individual learning described by Preston (2004), existing preconceptions may as a result be challenged, setting off trains of events with unforeseeable consequences. My case studies offer some examples of this.

A recent study on innovation in European organisations argues that effective innovation depends on particular types of organisational learning taking place. Innovation, it argues, is as much a social process as a scientific or technological one, depending on a range of organisational competencies (Louis Lengrand & Associates, PREST and ANRT, 2002). This study could (usefully, I think) have presented its case in terms of social capital being needed for the re-embedding in a specific organisational context of disembedded knowledge coming from elsewhere. As with other forms of learning, innovation poses organisational

challenges which have to be addressed in a social context: "much valuable knowledge is fundamentally socially embedded" (Nahapiet and Ghoshal, 1998).

### **Social capital theory and organisational change**

Social capital, I have proposed, is the crucial constituent that is needed to allow this re-embedding, or organisational learning, to occur quickly and smoothly. This is for two main reasons. Firstly, social capital implies the high level of trust necessary to evaluate, in an open-minded way, the unfamiliar, disembedded expert knowledge, rather than to reject it out of hand. Secondly, social capital supports the networks that allow easy exchange of information about the new knowledge around the organisation, and which may interact with external (national or global) networks to produce ideas about how it can most easily be re-embedded in existing understandings and practices (Lesser, 2000: 13). Social capital can thus reduce transaction costs and critically underpin the practices of effective innovation management - holistic perspectives, the creation of trust, networking and sharing ideas - which organisational analysts have identified in varied settings (Pettigrew, Ferlie and McKee, 1992: 284; Rosenfeld and Wilson, 1999: 531).

Schuller (2004) approaches this question of social capital's connections with organisational change by conceptually locating social capital at one corner of a triangle, with human capital and "identity capital" (that is, an individual's self-esteem, sense of purpose, and similar "ego strengths") at the other two corners. By this means, he proposes to link social capital issues of trust and networks with human capital issues such as skills and knowledge, and with personal goals and motivations. Schuller is aiming here to show how social capital can be operationalised by identifying its connections with other aspects of organisational and personal life, as I have tried to do with the proposed link to organisational learning. Schuller admits, however, that his "model appears static...[showing only what] could be regarded as intermediate outcomes" (Schuller, 2004: 22). My aim has been to locate social capital in the continuing, dynamic life of the organisation.

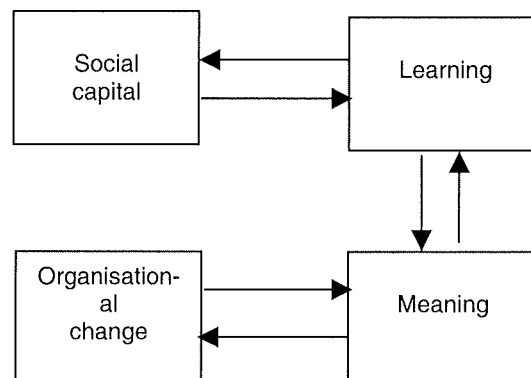
(I note in passing that there are a number of theoretical difficulties with the novel concept of "identity capital", including, as Schuller remarks, the unusual possibility, for a form of capital, that too much of it may be undesirable. I would

add that the use of the term "capital" for something which by definition can only ever be located within a single person, and which is not created by foregoing any current benefit, makes the concept analytically doubtful.)

The link which Schuller proposes with issues of personal identity, however, does emphasise that social capital must imply shared meanings at a personal level, or it would be unlikely to be effective in supporting learning and joint action. Or, it may help *create* shared meanings: it is not inconsistent to suggest that both may be true, as small initial amounts of social capital might facilitate limited joint activities, which then build shared meanings and higher levels of social capital. This provides perhaps another link with communities of practice which, for Wenger, have a central role in the "negotiation of meaning" of peoples' lives (Wenger, 1999: 53). Similarly, the need in managing change for "a shared interpretation...[to] begin the process of building commitment" to the implementation of organisational change has been emphasised in a higher education context (Middlehurst and Barnett, 1994: 63). Dill has also, somewhat earlier, proposed that "managing meaning and social integration" are the key tasks confronting managers in higher education (Dill, 1982).

Perhaps a relationship between social capital, learning, meaning and organisational change might be emerging on the lines shown in figure 1.

Figure 1  
*Social capital in an organisational context*



The idea of communities of practice also relates - to return to the context of this study - to the roles of the international agencies in supporting organisational change in the case study institutions. If we accept that the "negotiation of meaning" has a part to play in organisational change, and that learning encompasses the ability to negotiate new meanings, then support for new forms of learning becomes basic to change. This looks to be close to Barnett's "supercomplexity" argument, that the role of the post-modern university is simultaneously to create, to help understand, and to challenge "new frames of understanding" (Barnett, 2000: 131). We may say that the task of social capital is, perhaps, through learning, to create meaning and thereby to allow new understandings, and thus change.

I will try to show later that the international programmes have (almost certainly, inadvertently) to some extent helped create "learning architectures" (Wenger, 1999: 230), or perhaps new frames of understanding, which have supported institutional change by offering settings within which what I have termed embedded learning could occur. The programmes have encouraged joint activities, within and beyond the institution, and have put forward new criteria of effectiveness. Staff have, to varying extents, started to see their work in a new light, and have formed new understandings of their roles. We might see what has happened as the creation of "tacit contracts" of employment, involving members of the organisation agreeing informally to new roles and to new approaches to their jobs.

The effects of the international programmes in this study may be somewhat similar to the effects of national public bodies in other settings in stimulating change. In the transitional countries, as I will show, the national bodies responsible for higher education have, generally, had little positive impact on social capital formation and institutional change. In other countries, such bodies may have contributed more towards social capital formation and thus to institutional change.

I suggest, then, that the related conceptual approaches which I have identified point to the existence of a complex web of subtle, interacting and mutually-reinforcing factors underlying institutional change. Despite the logical basis for the criticisms noted earlier of social capital theory, it nevertheless offers a framework within which these complexities may be analysed, and which is not

offered by other theoretical approaches. There are pragmatic reasons for the theory's use; and it may be that its apparent weaknesses are symptoms of its present relatively undeveloped, "adolescent" theoretical status (Schuller, Baron and Field, 2000: 35).

To return to the main focus of this study, these complexities of organisational change are, so far as I am aware, nowhere referred to in the rationales put forward for the various international programmes aimed at achieving change in (at least) the field of higher education. I will pursue the question of institutional change in the next chapter.

## 5 Notes for a model of institutional change in higher education

### Organisational change and higher education: an overview

The study of organisational change has become a considerable social scientific sub-discipline in recent years: Burnes (2000) provides a survey of the field. The key question to be addressed here must be whether higher education institutions raise entirely distinctive issues as regards change, or whether they are simply particular cases of organisational change in general, with no fundamental differences when compared with other comparably-sized public or private institutions.

For much of the second half of the twentieth century, what is often described as “the planned approach” to organisational change dominated theoretical and practical work in the field. Associated with the work of the German-American psychologist Kurt Lewin in the 1930s and 1940s, this approach was undoubtedly ground-breaking for its time, with an emphasis on group dynamics and on the importance of openness, good communications, employee empowerment and the creation of a learning culture in achieving sustainable organisational change (Lewin, 1952). We might note that, whatever may now be considered to be the shortcomings of the planned approach, its lessons in these respects, at least, are still far from being fully digested by many organisations (McCalman and Paton, 1992: 24).

Lewin sought to provide mathematical models of human behaviour, so it is not surprising that the planned approach to organisational change makes some fairly sweeping, even deterministic, assumptions about organisational rationality, including the existence of unambiguous objectives, clear assessments of the problems to be overcome, designing and examining alternative strategies to do this, activity planning to introduce the change, and so on (Burnes, 2000: 473). It is, perhaps, possible to envisage this approach being successful in workplaces where most activities are relatively routine, but it is hard to see it being applicable in the context of academic work in a university where, typically, there may not be agreement about objectives and methods and any definition of the “problems” to be solved becomes in itself problematic (Barnett, 2000: 35).

In fact, the planned approach has been extensively criticised in recent years as being inappropriate even in industrial or commercial settings. Seen as being linear and static, it is said not to reflect the complexities of actual organisational life. Instead, theorists now tend to see change as:

"multifaceted, involving political, cultural, incremental, environmental, and structural, as well as rational, dimensions. Power, chance, opportunism, and accident are as influential in shaping outcomes as are...master plans" (Pettigrew, 1995: 93).

As a result, what has been described as "the emergent approach", which aims to reflect the dynamic and uncertain nature of organisational existence, with multiple variables, has assumed prominence. It emphasises that the response to external stimuli depends on how the people throughout the organisation react, and therefore advocates bottom-up approaches to initiating and implementing change, in contrast to the top-down approaches implicit in the planned approach (Rosenfeld and Wilson, 1999: 323; Burnes, 2000: 283).

How far can these ideas be used to understand change in higher education institutions? There are aspects of the emergent approach which do seem to relate well to the fluid, contested understandings often found within higher education; but at the same time, it seems, higher education's peculiarities make the study of its change a distinct topic. At a fundamental level, Barnett's "supercomplexity" argument - that the task of higher education is both to help in grasping new frameworks of understanding, while also destroying old frameworks and creating further new ones (Barnett, 2000: 75) - suggests that change is at the very centre of the work of higher education. Here, change is not something that happens occasionally: it is the core business, the special competence, of the enterprise. There is, certainly, a difference between this constant process of intellectual creative destruction in the academic life of the institution and organisational change in the more usual sense of the term: the tension between these two sorts of change will appear in the case studies, presented later.

How are these types of change managed within institutions? There is some evidence that, in the United States and Britain, the more academically successful universities are those with governance shared between academics, the institution's executive, and its governing body (Shattock, 2002). This shared



responsibility can be seen as an approach to managing change in a knowledge-rich environment. Support for this proposition comes from the finding that shared governance, or distributed management, also characterises the structures of knowledge-intensive commercial firms, such as those engaging in advanced scientific research, and professional service firms and consultancies. In these settings, knowledge workers expect a great deal of personal autonomy, a non-hierarchical structure, and a voice in organisational decision-making (Newell et al., 2002: 29). This somewhat inchoate model of management has been described as "adhocracy", and might be a good description of at least some effective university departments (Shattock, 2003: 152).

We should not, though, suppose that there is in higher education a simple cause-and-effect relationship between shared governance and institutional success: effective institutional management can take various forms. A historically successful university will find it easier to recruit a high-achieving academic who will probably expect the personal autonomy and role in collective decision-making noted above. This person may then go on to contribute to the university's academic reputation in various ways, perhaps generating additional income for the institution which allows it to offer even greater latitude, and resources, to its academics. But this association of the two issues - management styles and academic outcomes - does not quite amount to a causal connection. It is not obvious that, say, creating a more distributed management structure in an academically weak institution will improve its fortunes, especially if difficult budgetary decisions are required. It may merely make an inevitable retrenchment harder to manage. An institution in crisis may require, in the short term, a strongly-centralised, top-down management style.

Sporn's case study of change at New York University exemplifies this point, though, it seems, unwittingly. Sporn emphasises the importance placed by the University's President on creating a university community through "informal contacts and collegial styles" with an emphasis on "autonomous and decentralized" academic units (1999: 105). Sporn proposes that this organisational strategy was a key factor behind the University's success. But this was already an extremely successful institution by any academic or financial standard, able to reach its fundraising target of one billion dollars five years ahead of schedule in 1994, and with tuition fees amongst the highest in America (Sporn, 1999: 96). This enviable financial position, putting the University among

the "super-rich" in higher education globally, necessarily interacts with its academic success to create a virtuous circle. This enables it to attract leading academics, to be more selective in student admissions as a result, and so to strengthen its academic and financial position still further. It does not follow, though, that if the University were in a downward academic and financial spiral, strongly collegial and decentralised styles of management would *necessarily* be the right choice in handling the organisational change that would probably be required.

Thus, while all higher education institutions are involved, in an epistemological sense, in the analysis of change, and perhaps also in its creation, the connection between these activities and issues of organisational management and change is not a straightforward one. A distributed management structure may be appropriate for successful institutions, and may facilitate both academic activities and institutional management more broadly, but the problems of the rest may not be so readily resolved. A more searching study of change in the university is therefore demanded.

### **Change and the university form**

In considering the differences and similarities between universities and other knowledge-rich organisations, it is surely significant that there are few, if any, examples anywhere in the world of successful for-profit universities, in the usual meaning of "university" as an institution encompassing advanced teaching and research on a range of subjects. In many countries, even private non-profit universities struggle to gain public esteem (Teixeira and Amaral, 2001). Although there has been a great deal of discussion in the last few years about the rise of the corporate university, often associated with assumptions about the effectiveness of computer-based, distance learning technologies, there has been little in the way of concrete development in this direction, apart from some narrowly-conceived corporate or professionally-focused training institutions (Taylor, 2003). The expectations noted in a report published in 2000 on these matters, that "the way higher education will look and operate in 2007 is distinctly different from the way it has existed for more than a hundred years", seem unlikely to be realised, at least not on the anticipated timescale (CVCP/HEFCE, 2000).

The dominance of this single model is surely rather surprising, considering the central role of the university in underpinning the knowledge economy – indeed, in underpinning modernity itself, as:

"during the course of the twentieth century the university became the key knowledge-producing institution...modern society has not created any institutions to rival universities for the production of new knowledge" (Nowotny, Scott and Gibbons, 2001: 79).

Reflecting on this curious absence, in a booming market, of competitors to the classical university, the longevity of the university form itself needs to be considered. As Clark Kerr remarked:

"About seventy-five institutions in the Western world established by 1520 still exist in recognizable forms, with similar functions and with unbroken histories...[these include] some sixty-one universities. Kings that rule, feudal lords with vassals, and guilds with local monopolies are all gone...The sixty-one universities, however, are mainly still in the same locations, with some of the same buildings, with professors and students doing much the same things..." (Kerr, 1994: 45).

Might this organisational resilience, and the barriers to entry to the higher education market thereby created for potential competitors, be associated with the way the university handles change? As Burton Clark has remarked, "mature academic systems know something about adaptation and evolution that new enterprises and systems must learn" (Clark, 1983: 184). It is perhaps this adaptive and evolutionary ability, the institution's enduring skill in change management, that lies at the heart of what we are considering here. I propose that social capital is deeply implicated in these processes.

"Change", though, is too broad a category for analysis in this context (although many accounts of organisational change appear to treat it as an undifferentiated entity). Becher and Kogan distinguish between minor, incremental changes, which have little or no impact on the prevailing educational values of a higher education institution - these they term "organic" changes - and more significant, or "radical", changes, which demand "a noticeable shift in existing normative assumptions" (Becher and Kogan, 1992: 133). The "bottom-heavy" nature of higher education organisation permits relatively easy organic change, they argue, but offers stiff resistance to radical change. It seems probable that at New York

University, as described above, the changes were of a largely organic kind - and their implementation was probably smoothed by large amounts of money.

Thus, we have a picture of an organisational structure which can change fairly readily on matters not connected with the intellectual core of its activities, but which changes more slowly in its fundamentals, as new knowledge, understandings and methods emerge, are tested, and become incorporated in its work. This tension is captured in the observation that:

“...universities are paradoxically the institutions least affected by the virtual logic embedded in information technology...[because of the demand for] the intensity of face-to-face interaction” (Castells, 2000: 428).

The paradox identified here is that institutions whose core business is knowledge production and transfer have not, generally, reorganised their teaching and learning processes (as distinct from bureaucratic processes) around the new technology for handling information: this would “radically” alter their understandings of their purposes. (This might have been predicted from Becher and Kogan’s earlier account (1992: 127) of the minimal impact which closed-circuit television had on teaching methods following its introduction in UK universities in the 1960s.)

In universities in the West, the process of adaptation has, instead, generally been discipline- (rather than technology-) driven, and has been facilitated by the relative flexibility of their internal structures, whether based on the department or the chair. This flexibility has been, as Clark (1983: 184) suggests, an important factor underlying the persistence of university structures: longevity implies change. Flexibility has also allowed innovation to come from “the fundamental characteristics of higher education institutions” themselves (Neave and van Vught, 1994: 15), notably their knowledge-handling abilities. Another examination of these issues reached a similar view when it reflected on the tension between continuity and change, and concluded that “there is often more change occurring than meets the eye of the casual observer...[this change is] not revealed in the image of stability portrayed” (Davies and Morgan, 1982: 181).

The development of the University of London over the last 170 or so years offers some examples of radical and organic change, and of innovation and stability. Like all enduring universities, it developed “the capacity to add and subtract fields

of knowledge and related units without disturbing all the others" (Clark 1983: 186), and so slowly but steadily renewed its academic structure over the years. The extent of curriculum change within the University since the 1830s, when all its students took four compulsory degree papers - in classics, mathematics, natural philosophy, and (a truly "radical" development for the period), one in either chemistry, botany or zoology (Thompson, 1990) - offers an example of adaptation to changing intellectual understandings and external demands. The University's teachers and students have not, in fact, as Kerr suggests above, been "doing much the same things" over this period, other than in the trivial sense of taking part in teaching and learning. Meanwhile, the University of London's organisational and administrative arrangements have been subject to a seemingly almost continuous "organic" process of review and restructuring since the University's creation in something like its present form in 1836 (Harte, 1986). The institutional stability which Kerr highlights both masks, and depends upon, continual change.

We should note also that to speak of "the university" as a standard unit of analysis may be misleading in this context. "The university" is now called upon to perform an increasingly wide range of tasks, to carry out what have been called its "scientific (and elite?) functions" as well as "its social (or mass?) functions" (Scott, 2000: 196), in most national systems resulting in formal or informal institutional differentiation. An earlier classification drew a similar distinction between the "autonomous" and "service" traditions of higher education (Burgess, 1982). These functional and organisational divisions may affect the way in which change takes place: although a full discussion of this point is beyond the scope of this thesis, it would seem likely that radical change should be harder to bring about in an institution with a scientific/elite orientation, compared to one with a social/mass orientation. There seem to be few empirical data on this significant theoretical and practical issue.

It is the process described here of renewal, or creative destruction - partly a response to opportunities or threats in the environment, but partly internally-driven by the local representatives of academic disciplines - that gives Western higher education its singular quality. Studies of other organisational forms have suggested that successful change management depends upon achieving a balance between disturbance and continuity (Pettigrew, Ferlie and McKee, 1992: 297). The continual review and redefinition of the university's core business in the

light of the changing map of knowledge and of consumer demand - how and in what disciplines, or applications of them, it conducts its teaching and research - combined with organisational longevity, follows this pattern. The imperatives of academic disciplines, the "international knowledge system" (Altbach, 1998: 135), existing beyond merely institutional or national controls, support this process of renewal. Disciplines function in ways similar to those of global markets, rewarding effective innovation and high production standards by granting status and, indirectly, material benefits.

One might even read Readings' wide-ranging critique of the modern university - that it has lost its sense of "grand narrative" and has retreated into "professionalization", substituting the empty notion (in Readings' view) of "excellence" for that of "culture" (1996: 126) - as an objection at a particular juncture to this process of secular change. The university is constantly re-inventing itself internally, naturally with varying degrees of success in individual cases, while usually trying to present a reassuring picture of timeless certainty and stability to the outside world. As with some other critics of recent organisational changes in Western higher education, who object to what are often described as "managerialist" approaches - for example, Morley (1999: 28) - Readings implies a lost golden age, when conflicts over goals, resources and methods were (we must assume) settled in ways which he and other critics found more acceptable. The process of change was, nevertheless, still taking place, even if it may have appeared less obvious than it has done in recent years.

The focus of this thesis is on change within the institution, rather than on change in the system of which an institution may form a part. System-level changes can of course have an important impact on institutional-level change, and I will give examples of this in the case study institutions. A review of change in UK higher education in recent years concluded that "internal developments took place within increasingly strong external frameworks" (Kogan and Hanney, 2000: 237). The development of quality management in UK higher education (and elsewhere) offers a particularly clear example of the effect that an external framework can have on internal activities.

It has been argued more generally that, in the European university at least, change comes about exogenously, through pressures from the state, with universities reacting slowly and ineffectively to these pressures (Sporn, 2003). On

the other hand, a Swedish study of institutional change in higher education (using, incidentally, Lewin's ideas, noted earlier in this chapter) questions the extent to which external pressures can "reach the internal, deeper dimensions of...interactions between teachers and students" (Berg and Östergren, 1977: 104). In a publicly-funded higher education system, institutional change will inevitably be the result of a complex interaction between these external and internal factors, although identifying the effects of these factors becomes exceptionally difficult (Kogan and Hanney, 2000: 238).

The role of the state, as the effective "customer" in publicly-funded higher education systems, is inevitably a critical one: it may create the pressure which leads to institutional change (as discussed further in chapter 7). Without wishing to downplay this issue, my task here is not to pursue the question of university/state relations (Musselin, 1999), but to analyse how the university reacts to external pressures, from whatever source. After all, as Kerr (1994) reminds us, many institutions which once depended on state support are, unlike the universities, no longer with us.

### **Institutional culture, social capital and change**

It seems likely that the answer to the question of what it is that allows the process of review and re-invention within the university to carry on so remorselessly over the years, in a way that seems to elude so many other organisations, must go beyond matters of structure or processes. I propose that the answer, at least in part, is to do with the university's ability to create and apply social capital effectively.

A number of aspects of university organisation contribute to this ability: the "adhocracy" noted above, with the extremely flat structures typical of most academic departments; the emphasis on individual learning and critical approaches to knowledge; the team organisation often used for research and sometimes for teaching purposes; and, as I have noted, the disciplinary frameworks, the international knowledge system, which links academics to those similarly engaged elsewhere in the world. This gives the individual academic a "sense of belonging to his or her academic tribe" (Becher, 1989: 23) and so supports mutually-beneficial interactions. The disciplinary structure, providing "a

means of ordering and controlling an otherwise chaotic or irrational physical and social world" (Middlehurst and Barnett, 1994: 54) is, I suggest, particularly important in the process of social capital formation. This is because it offers a ready-made basis of networks, trust, and sharing (of ideas and resources), on which people can draw in order to develop social capital across the institution.

The networking issue may be particularly significant. Being linked to global, discipline-based networks may make it easier for new networks to be established within the university, so enhancing its stock of social capital. It is noteworthy that one definition of the modern business corporation is "a network that is embedded within an external network" (Castells, 2000: 208), with internal corporate characteristics affecting, and being affected by, the relevant global networks. This surely also describes how university academic departments function in relation to their disciplinary networks, and the constant interplay between them helps to explain the flexibilities of university structures.

These matters - networks, learning, structures - taken together, give rise to the set of values, partly institution-specific and partly internationally general, which are often thought of under the general heading of "institutional culture". Institutional culture, with its "deep-seated assumptions and values far below surface manifestations...[or] officially espoused ideologies" (Pettigrew, Ferlie and McKee, 1992: 281) can, I suggest, be viewed as a representation of aspects of social capital.

A number of writers have recently thrown doubt on the very existence of institutional culture in the university as a meaningful term of analysis. It has been criticised as being no more than "an intellectual polyfiller", used to explain the otherwise inexplicable (Kogan, 1999); while Barnett, from a post-modern perspective, doubts the possibility under present epistemological conditions of there being "a single binding characteristic that all constituent parts of the university share" (Barnett, 2000: 48). However, research has suggested that institutional cultures are important, albeit elusive, fields of analysis. Some UK research points to there being understandings among staffs of particular universities about, for example, relationships between teaching and research, which are thought of by those questioned in terms of institutional culture (Silver, 2003).



Although Silver follows Barnett by asserting that "universities [perhaps, British ones] do not now have an organisational culture", he reaches this conclusion by setting very demanding criteria for what would count as such a culture. Even if disciplinary, rather than institutional, allegiances do for many form "the cornerstone of personal interest, career and professional activity and identity" (Silver, 2003), or if people do work more closely together in law firms or in architectural practices than in many university departments, the notion of organisational culture in the university is not thereby automatically emptied of meaning. (We might also question Silver's notion of "working closely": is collaborating over a period of weeks to complete a technical task more or less close than an intensely-shared intellectual engagement over a few hours?) It is of the essence of the university that its members will have overlapping allegiances, but this does not imply a zero-sum game: one may have two loves, equally cherished.

Dill, in contrast, asserts that academic institutions *do* possess distinctive cultures, which are more complex than in most other organisations. This is because of the multi-dimensional nature of the university: the university as an enterprise, the disciplinary dimension (the organic/radical distinction, perhaps), and the further dimension of the wider academic profession. Dill considers that the management of culture in this setting, which he describes as "managing meaning and social integration" to support the core values of the institution, is the key task for institutional leaderships (Dill, 1982). He notes that it is necessary to use processes which create structural bonds within the organisation (he gives the example of involving a wider range of people than might be normal in other organisations in making staff appointments) to achieve this integrative effect. We might consider that Dill is describing here an aspect of social capital production, supporting what has been described as social capital's "cognitive dimension...shared representations, interpretations, and systems of meaning" (Nahapiet and Ghoshal, 1998).

Other studies of higher education institutions support Dill's position, and point to what we may call organisational cultures - shared ways of engaging in doing things (Wenger, 1999: 125) - as being significant in guiding the decision-making of individuals within those institutions; and that furthermore these cultures can be managed and changed over time. Indeed, those seeking to change the direction of a university may do so by consciously aiming to affect its organisational culture

(Duke, 2002: 51). The impact on university cultures of external influences, such as new quality assessment processes, has also been identified (Brennan and Shah, 2000: 127). A recent empirical study of UK higher education institutions has gone further than simply identifying the existence of organisational culture, and has distinguished between organisational "climate" and "culture" in higher education. The former is said to be "a reflection of the way people perceive and come to describe the characteristics of their organisation", whereas culture is considered to be "the way things are done" (Allen, 2003). The strength, and usefulness, of this distinction are perhaps open to question, but the study does offer further evidence on perceptions of what members of higher education institutions persist in regarding as organisational cultures.

The discussion of organisational culture shares with consideration of social capital generally the risk of logical fuzziness: if "organisational culture" means little more than "what goes on in an organisation", then what would changing the *culture* mean? Even so, as Dill argues, there seem to be distinctive aspects of the life of universities which can usefully be classed under the "organisational culture" heading, and which are susceptible to management and change: I propose that these features are closely related to the constituents of social capital, particularly to trust, networks, and information exchange.

Reviewing findings on institutional change, I do not find a great deal of evidence to support what is sometimes supposed to be the paradox of universities being the sites of production of revolutionary ideas, while at the same time being highly resistant to change themselves (Clark, 1983; Kennedy, 1997). It may be true that, from the point of view of politicians or institutional managers, change is difficult to bring about in the short term, but this is not to say that, generally speaking, universities are change-averse organisations in the usual sense. In fact, both writers cited above do not consider that universities are resistant to change in a general way, but rather that the "bottom-heavy" nature of their organisation, linked as they are to wider disciplinary networks, makes change less abrupt than in some other organisational forms: "decisions [in universities] typically take shape gradually, without the formality of agenda, deliberation and choice" (Clark, 1983: 133). Kennedy observes that, far from remaining static, "the shape of higher education in America has been repeatedly refigured in episodes of dramatic, even wrenching change" (Kennedy, 1997: 265).

The idea of social capital, I suggest, provides a way of analysing and understanding much of this account of change within higher education. If it can be shown that universities are able to create and apply social capital in ways which enable them to manage change more effectively than tends to happen in other types of organisation, then we may have an analytical tool for understanding more about how such changes occur. This analysis may help to explain how it is that "research universities turn out to have a web of incentives subtler than those in more hierarchical institutions, but effective nonetheless" (Bok, 2003: 22). It may also point the way to classifying organisational changes in terms of their effects on social capital formation: is a departmental reorganisation, for example, likely to increase or decrease levels of social capital across the institution?

Social capital also may offer a partial explanation of why the university form is so enduring: it is able both to generate endogenous change, and to handle exogenous change, more effectively than many other institutional forms because of its use of social capital. This in turn is related to its complex institutional cultures and structures, and its wider intellectual linkages, allowing enhanced scope for social capital formation. These processes together may be the basis for what Burton Clark, emphasising the social nature of change in universities, has called "the dynamics of ambitious collegial volition" (Clark, 2003).

### **Some conclusions on a model of organisational change**

I have noted that Western universities have, historically, displayed a considerable capacity for both fundamental, "radical", changes to their core intellectual businesses, but over extended periods; and for constant, "organic", readjustments of their organisational arrangements. Taking a long view, far from being the change-averse organisations sometimes portrayed, universities are in a state of constant evolution.

From her case studies of American and Western European universities, Sporn draws certain conclusions about the ability of universities to manage change. She identifies, as in the New York University case, collegial governance as a factor in supporting change. She goes on to list other factors as being:

"leadership, environmental pressure, organizational culture, financial vulnerability, university structure, and the importance of administration" (Sporn, 1999: 259).

These factors reflect the widely differing approaches taken by her case study institutions in coping with different sorts of change. But as this list covers, in one way or another, just about everything that university managers might have to contend with, her conclusion is, in effect, that *everything* is a factor in managing change. This offers little useful guidance, either for practising managers or for theorists seeking understandings of organisational dynamics.

Sporn's analysis is, I suggest, of limited value because she does not probe far enough beneath the surface appearances of the universities that she studies to try to comprehend the nature of the changes she observes. So, for example, she cites "an entrepreneurial spirit among faculty and administration" (1999: 260) as a factor in enhancing adaptability. But she neither enquires as to the foundations on which this "entrepreneurial spirit" might rest, nor whether this entrepreneurialism might not arise from people working in an already academically and financially successful (and so, almost certainly, adaptable) institution - that is to say, it may be an effect, rather than a cause, of adaptability.

What does, however, appear to be common to Sporn's case study institutions, as she reports them, is the possibility that university adaptation is facilitated by high levels of social capital (though she does not draw this conclusion). From her cases as diverse as the large, public University of Michigan and the relatively small, private Bocconi University in Milan, it appears that social capital issues - networks, communication, trust - emerge repeatedly as enablers of change.

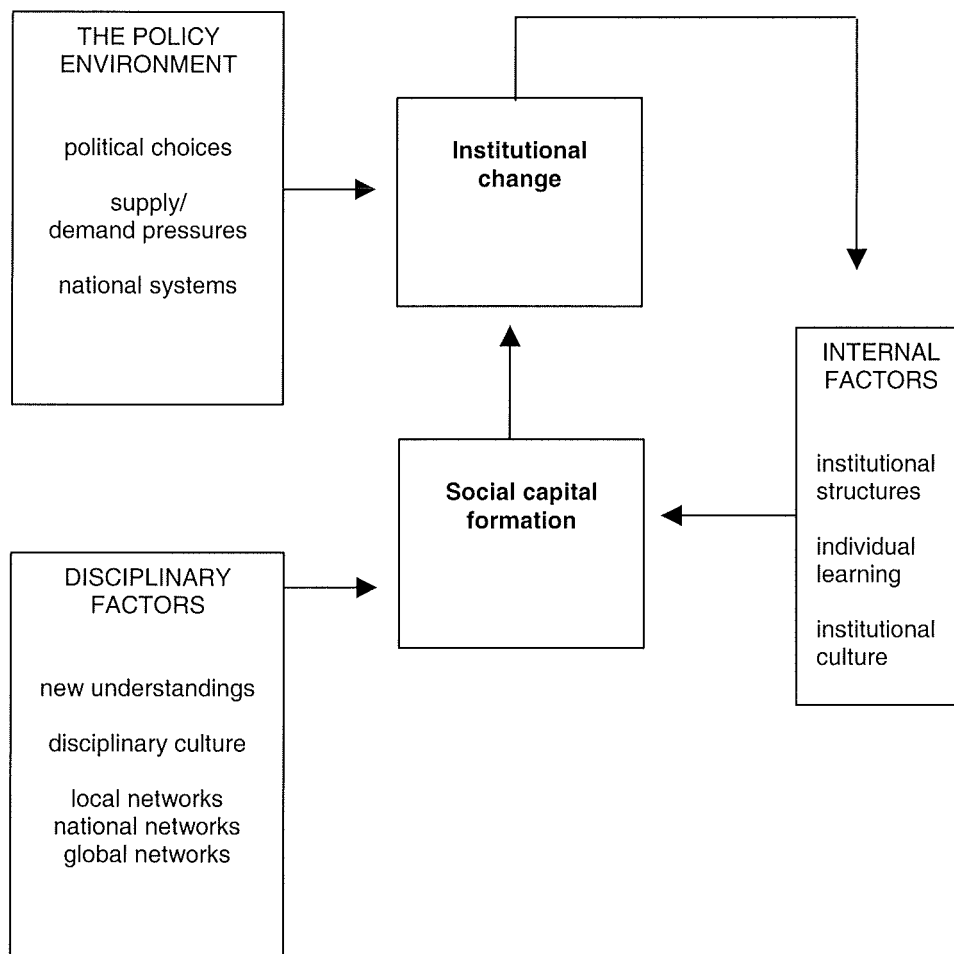
I have suggested in chapter 4 that social capital theory, and the related conceptual approaches concerned with organisational learning, point to the existence of a complex web of interacting and mutually-reinforcing factors underlying institutional change. I have suggested that, in an organisational context, individuals' learning, leading them to accept new tacit contracts, might be a key driver of social capital formation. Additionally, a number of other features of the typical university work to facilitate social capital formation: its relatively flat hierarchy, the critical approach implicit in much scholarship and research, and the disciplinary frameworks which encourage inter- and intra-institutional networking.

These features, I propose, support the formation of social capital, which is crucial in enabling the continuing process of change which characterises the effective university. The features which are frequently identified as being important to successful university management and to institutional change are, I suggest, often simply the surface effects of these more profound social and organisational processes.

The connections considered here may be summarised in the form shown in figure 2. Institutional change in this model is influenced by levels of social capital within the institution, and also by a range of environmental pressures. Levels of social capital are themselves conditioned by certain characteristics of the institution itself, capable of being managed, and by a range of external factors. Feedback from institutional change may then condition the extent of further change. On this model, change is partly susceptible to internal management, but partly dependent on external factors, normally beyond management control.

The universities of Eastern Europe, to a considerable extent, have had many of the aspects of their existences which support social capital formation frozen for forty or more years. They have been relatively isolated from international contacts - even mobility within the country has often been restricted; critical approaches in academic work have been limited; and politically-imposed hierarchies have dominated university life. All this has begun to change, and the international programmes have played a considerable part in stimulating these changes. The idea of social capital, I will argue, is central to understanding what is taking place.

Figure 2  
*A model of institutional change*



## 6 Locating Polish and Romanian higher education

Embedding the case study institutions, as firmly as I am able, in their various contextual dimensions is fundamental to my methodological approach. In the study of organisational change, "history is not just an event in the past but is alive in the present and may shape the future...processes are both constrained by contexts and shape contexts" (Pettigrew, 1995: 95).

### An historical context

The Polish and Romanian peoples have historically shared the misfortune of living where powerful empires grated uneasily against one another. From the late eighteenth to the early twentieth century, Poland ceased to exist as a nation-state, being instead "partitioned" between the Russian, Prussian and Austro-Hungarian Empires; while the Romanian people lived under either Austro-Hungarian, Ottoman or Russian imperial rule until the mid-nineteenth century. Even in a region characterised by shifting borders, frequent conflicts, and constant misalignments of state boundaries with ethnic or linguistic groupings, Poland and Romania have complicated histories. Students of Balkan history and politics would no doubt echo the sentiments of Norman Davies in introducing *God's Playground*, his history of Poland which became the standard work prior to 1989 for Poles seeking a perspective on their country's past which was not merely propaganda:

"I see Poland as an immensely complex phenomenon...a community in constant flux, forever transmuting its composition, its view of itself, and its *raison d'être*: in short, a puzzle with no clear solution" (Davies, 1981a: xi).

While Poland, despite its various subjugations by its imperial neighbours, can look back on a thousand years of history as a distinct and often powerful entity, as a nation state Romania is a historically recent creation. It was first recognised by the European powers in 1859, and achieved something near its present form when it benefited from the dismemberment of the Austro-Hungarian Empire at the end of the First World War. Indeed, for both nations, the Paris Peace Conference of 1919 was a defining moment: Poland re-emerged as an independent nation-

state, and Romania achieved a doubling in both population and area (MacMillan, 2001: 144).

Although divided among its three powerful neighbours from the late eighteenth century until 1918, Poland's political identity survived, its strength being manifested in regular uprisings against the imperial powers throughout the nineteenth century - what Davies calls "the romantic age of insurrections" (2001: 145). Poland's cultural identity was maintained with equal vigour, not least by drawing on its heritage of ancient universities: the Jagiellonian University, in Kraków, founded in 1364, where Copernicus studied; the University of Vilnius, founded in 1579; and the University of Lvov, founded in 1661 (Palka, 1995: 157). The history of Poland's universities reflects the variability of its borders: the latter two institutions are not within the borders of present-day Poland.

Poland claims to have established "Europe's first Ministry of Education", the National Education Commission, which was established in 1773 with the aim of developing a coherent state education system (Davies, 1981b: 228). As well as establishing an extensive network of primary and secondary schools, the Commission reorganised and secularised the Jagiellonian and Vilnius Universities. Throughout the nineteenth century, the partitioning powers at times tried to snuff out Polish culture and learning, while at other times allowing educational developments to take place - a liberality they no doubt came to regret during regular episodes of student protest, as at the new Warsaw Polytechnic in 1905 (Wagner, 2001: 91). A clear pattern of educational development does not therefore emerge. Nevertheless, higher education survived and played a part in sustaining and radicalising the Polish intelligentsia (Davies, 1981b: 235). As well as classical higher education, technical higher education was also regarded as an important function, with institutions being established at Kraków in 1833, at Lvov in 1877, and at Warsaw, where the Polytechnic in its modern form was founded in 1898 (Palka, 1995: 157).

This state concern for the development of technical education was mirrored in nineteenth-century Romania; and stands, incidentally, in contrast to its institutionally and intellectually marginalised status in the Britain of the same period (Green and Lucas, 1999). The high status accorded locally today to my case study institutions is founded on this history.



The universities in both Poland and Romania have historically drawn on the Humboldtian model from Germany and from the Austro-Hungarian Empire, but in Romania's case also on the more strongly state-directed Napoleonic university tradition from France (Mihailescu, Vlasceanu and Zamfir, 1994). Partly because of linguistic reasons (Romanians speak a Romance language, unlike their mainly Slavic neighbours) and partly through various historical accidents, Romanian elites have traditionally looked to France, as well as to nearer Germanic neighbours, for models in economic and cultural fields, particularly in education (Fischer-Galati, 1991: 17). Romania's first constitutional monarch, King Carol I, who reigned from 1867 to 1914, was himself a German prince, presented to Romania in the standard fashion of the period in the hope of providing stability in the fractious Balkans.

This pervasive influence in Poland and Romania of the two dominant continental European patterns of higher education produced, at system level, a very strong "state control" model of higher education management (Neave and van Vught 1994: 9), and, at institutional level, distinctive patterns of organisation and management. Neave and van Vught contrast the state control model, with its detailed direction of higher education institutions by a central agency, with the state supervising model, where the state is less intrusive and focuses on the operation of the system as a whole and assuring a certain level of accountability - "steering from a distance". The historical legacy which has led to the state control pattern is important for the argument put forward in this study.

Romania's part of the Habsburg educational legacy, obtained when the regions of Transylvania and the Banat were acquired from Austria-Hungary after 1918, included several important and well-established university institutions (Puscas, 1999: 61). The Austro-Hungarian Empire had managed a major expansion of higher education in the latter part of the nineteenth century, and had developed important strengths in science, medicine and the social sciences in its universities in the decades leading up to 1914 (Kann, 1974: 559). The results of this expansion are apparent today in the impressive older buildings of many universities in western Romania and in southern Poland, the areas of the two countries which had come under Austro-Hungarian rule.

In nineteenth-century Romania itself (in what are now the southern and eastern provinces of Wallachia and Moldavia), early university development took place

with the founding of universities in Iași in 1860, and in Bucharest in 1864 (Cucos, 1995). In the same year, the National School for Bridges, Highways, Mining and Architecture was established in Bucharest, following the French *grandes écoles* model and effectively setting the future pattern for technical higher education. From this institution in 1881 emerged the National School for Bridges and Roads, the predecessor of UTCB (Fatu 1998: 94).

As in many developing countries today, the university system was seen throughout Central and Eastern Europe in the later nineteenth century as a crucial component of national identity, economic development, and social modernisation, and was accordingly controlled by the central authorities in detail (Neave and van Vught 1994: 13; Mazower 2000: 109). This reflected the Humboldtian principle of the university taking on a central cultural and economic role on behalf of the state. More particularly, the state regarded the university system as its specialist supplier of highly-trained manpower (Neave and van Vught 1994: 10). The reciprocal component of this understanding was that the state would not trespass on the university's autonomy in academic matters.

In Romania, the National School for Bridges and Roads was considered crucial in supporting the expansion of the country's road and rail networks in the latter decades of the nineteenth century (Fatu 1998: 95). In Poland, the polytechnic institutions were expected to produce a wide range of specialists, particularly for the chemical, metallurgical, mining and construction industries (Wagner, 2001: 14). The nation had a job to be done, and the universities were expected to help do it.

The tensions between this conception of the university (admittedly, in these cases, technical universities) and the alternative Anglo-American one, emphasising institutional autonomy and seeking to distance the university from the state, remain unresolved (if such a resolution might even be possible) in Poland and Romania today. The issue becomes particularly complex when the Humboldtian conception of the academic autonomy of the individual professor becomes entangled with the Anglo-American, but distinctly non-Humboldtian, notion of institutional autonomy. Modern Polish and Romanian writers tend to blur the two ideas (Constantinescu, 1995; Juszczuk, 2000), implicitly demanding that both be granted, with the state underwriting them, financially and legally.

The nineteenth-century Austro-Hungarian Empire demonstrated the Humboldtian disregard for institutional autonomy, with the Emperor himself taking a part in university planning, and with individual professorial appointments being made by the Minister (Kann 1974: 323). Similarly, in the Russian partition of Poland, Tsar Nicholas II and his Governor-General for the Polish territories became involved with the early development of the Polytechnic in Warsaw, and the new institution was formally named after the Tsar (Wagner, 2001: 14). Despite this state role in the Polytechnic's creation, it should be noted that technical education in Poland originated earlier in the nineteenth century, through the efforts of local industrialists wishing to secure a supply of skilled technicians for their developing factories, railways and other modern enterprises (Wagner, 2001: 13).

There are some parallels between this local, economically-driven initiative and the Victorian creation of the English civic universities. In England, though, the objectives of the founders and early benefactors of the civic universities generally appeared to be mixed, and included a wish to provide opportunities for a broad, liberal education in the humanities and sciences, as well as developing a local technological skills base (Jones, 1988). This initial mixed motivation may go some way to explaining why few English technological institutions developed with the academic strengths and national status of continental institutions such as the Warsaw Polytechnic.

As with Poland's National Education Commission, the new state of Romania regarded university development as a natural function of central government: the first legislation for national regulation of higher education was in 1864, just a few years after international recognition of the country's identity. Subsequent legislation on higher education and vocational education followed in 1898 and 1899 (Romanian Ministry of Education, 1998), supporting the same drive for modernisation seen in Poland and elsewhere in the Europe of the day (Neave and van Vught, 1994: 9). The first half of the twentieth century saw a continuation in both countries of this by now well-established pattern of state intervention with close regulatory control.

The communist regimes which seized power in Romania in 1947 and in Poland the year after therefore found highly-centralised and regulated higher education systems, managed in detail by the state bureaucracy to meet largely state-defined needs. The system required only changes in ideological orientation to

meet the new demands of scientific socialism. State-directed higher education was not a creation of communism, nor were the technical institutions which are the focus of this study. The communist regimes would, however, strengthen the state control features of this pattern of higher education.

### **A political context**

To understand the current situation of the Polish and Romanian universities, it is necessary to place them in their recent turbulent political contexts, as well as the broader historical ones. (That Fatu's 1998 600-page history of UTCB resolutely refuses to do this is perhaps itself a reflection of this turbulence. Polish higher education literature, by contrast, seems to be more prepared to examine political change.) These contexts relate directly, I propose, to the impact which the international projects have had on the two case study institutions.

Communist rule in Poland and Romania followed a familiar regional pattern in the immediate post-war period. In Romania, a regime of Stalinist terror, from the communist assumption of power in 1947 until Stalin's death in 1953, directed by the Communist Party's First Secretary, Gheorghiu-Dej, was succeeded by a relatively less repressive period lasting up to Gheorghiu-Dej's death in 1965. Nicolae Ceaușescu, who succeeded him as Party leader, began his rule with what became known, with the benefit of hindsight, as the "golden age", from 1965 to about 1971. In this period, a more liberal, modernising regime was combined with efforts to improve living standards for ordinary citizens (Fischer-Galati, 1991: 186).

While Stalinist communism certainly took a firm grip on post-war Poland, it was not applied with the same ferocity as in other communist states. In such matters as the seizure of "bourgeois" assets, the suppression of religion, and the collectivisation of agriculture, Poland's leaders began to develop the foot-dragging technique which they later almost, but not quite, perfected. This consisted of being repressive enough to prevent armed intervention by the Soviet Union, but liberal enough to prevent domestic unrest turning into revolt (Davies, 2001: 8). Władysław Gomułka, who took over as Party First Secretary in 1956 after a period of detention under the regime of his pro-Soviet rival, Bierut, pursued the policy known as "many roads to socialism". This aimed essentially to

preserve Poland's distinctively relaxed approach to communism, while staying within the limits of what Moscow would tolerate. But economic stagnation led to falling living standards and rising social tension, and in the aftermath of strikes and riots across the country, Gomułka was forced to hand over power in 1970 to Edward Gierek.

Struggling like his predecessor "to square the Polish circle" (Davies, 2001: 13 ) by attempting to balance Soviet against domestic demands, Gierek pursued an economic modernisation programme based on massive loans from the West. But it soon became clear that state-owned Polish industries, with demotivated workforces and outdated products, were unable to compete on world markets. More loans were negotiated to pay the earlier ones, and to subsidise food prices in an attempt to buy the quiescence of the workers. The inevitable outcome was the national economic collapse that led to the birth of the Solidarity movement in 1980 (Garton Ash, 1991: 19; Davies, 2001: 14).

Throughout the post-war period, the reconstruction and development of technical higher education in Poland received high priority, being regarded as essential to support the industrial expansion which lay at the heart of communist economic policy (Kluczynski, 1987). The Warsaw Polytechnic, which had suffered bomb damage on the very outbreak of war in September 1939, and which by the end of the war had been completely destroyed, was rebuilt, with expansion plans prepared as early as 1945. New buildings were provided steadily from the 1950s to the 1970s, with the Civil Engineering Faculty (WIL) moving into its new, uncompromisingly modernist, accommodation in 1976 (Wagner, 2001: 236).

In terms of regional political developments, Romania's exceptionalism is represented by the later Ceaușescu period, from 1971 to the revolution of 1989. Having removed his rivals in the Party leadership, in 1974 Ceaușescu assumed the dual role of national President and General-Secretary of the Communist Party, or *Conducător* (leader). Distancing Romania from the Soviet Union (even to the extent of denouncing the 1968 Warsaw Pact invasion of Czechoslovakia, a risk that Poland would not run), and seeking better relations with Western countries and with international institutions such as the IMF and the World Bank, it seemed possible that the country might become genuinely non-aligned, at least to the extent of following the example of Yugoslavia (Longworth, 1994: 31).

Romania's National School for Bridges and Roads, which had become a faculty of the Polytechnic School of Bucharest in the 1920s, was de-merged in line with the communist strategy of institutional specialisation on industrial lines, prevalent in both countries. It became the separate Civil Engineering Institute of Bucharest, the predecessor of UTCB. It is noteworthy that these detailed changes in higher education structures were clearly considered important by the new communist rulers: the new Institute was brought into existence (with its internal structure set out in considerable detail) in a series of Ministerial orders in 1948 and 1949 (Fatu, 1998: 170), a matter of months after the communist take-over. The detail of higher education organisation was clearly a priority for revolutionary socialism.

Romania's independent political stance from the late 1960s coincided with an economic policy requiring the rapid development of heavy industry, the eventual results of which were even more disastrous than those resulting from Poland's parallel strategy. To support this demand for industrial construction, UTCB, considered like WIL to be strategically important, continued to expand during this period, with its new suburban campus being developed during the 1970s (Fatu, 1998: 303).

The central direction of resources to support Romania's industrialisation policy, combined with the loss of cheap Soviet oil and gas as a result of its worsening relations with Moscow, led to a drastic fall in living standards through the later 1970s. This, when added to the increasing "nepotistic despotism" of Ceaușescu's rule (Davies, 1996: 1105), resulted in occasional localised strikes and demonstrations, leading to harsher repression by the *Securitate*. Unsustainable levels of foreign debt, incurred, as in Poland, to support the industrial development programme, led Ceaușescu by the early 1980s to adopt a set of extreme economic policies aimed at generating hard currency in order to repay the debt: anything that could be sold abroad was exported. This naturally led to further sharp falls in living standards, with food, fuel and power in increasingly short supply. The process known as *sistematizare*, the forced resettlement of villagers into grim new industrial townships, justified by the industrialisation strategy, produced more unrest and contributed to falling living standards by depressing agricultural output still further (Mazower, 2000: 121).

In response to accumulating problems, an extreme nationalistic posture was adopted by the regime, aimed at building resentment against national minorities

as a diversion from more pressing concerns. This was combined with political and social repression verging on the bizarre - the compulsory registration of typewriters, for example (Fischer-Galati, 1991: 186). But events beyond Romania from the mid-1980s were moving in a different direction. The erosion of communist power occurring elsewhere in Central and Eastern Europe - notably in Poland - provided the context for the spontaneous uprising that spread in December 1989 from the western city of Timișoara, across the country to Bucharest, and then to other cities. By the end of that month, the regime had collapsed completely and Ceaușescu and his wife had been executed. Communist rule in Romania had lasted 42 years. While Poland's communist rule effectively began with Soviet liberation in 1944, formal one-party rule there had lasted 41 years by the time the new national constitution was adopted at the end of December 1989.

It might be concluded that, while economic collapse in Poland resulted from attempts to buy-off unrest, Romania's collapse came about through the assumption that unrest could be first ignored, and then crushed. In both cases, pursuit of a flawed model of centrally-planned industrial expansion lay at the heart of the leaderships' difficulties; and in both cases, our case study institutions, as providers of engineering expertise, were beneficiaries of these expansionary policies.

The communist-era development strategies for Polish and Romanian higher education (discussed in more detail in chapter 7), it may be concluded, was to preserve a small number of "classical" institutions operating on broadly traditional lines, while subordinating the rest of the system (except for some approved cultural activities) to the supposed needs of national economic progress: supporting "the development of material production", as a Polish communist-era writer put it (Kluczynski 1987: 8). Whatever the merits or otherwise of this pattern of development, it did mean that the higher education systems in both countries underwent significant change, at least in terms of institutional structures and missions, if not significantly in internal academic or managerial arrangements. This radical, externally-driven change, may have imparted a degree of flexibility to the systems which made later change easier to introduce. Despite their many problems, the Polish and Romanian systems exhibit a degree of adaptability which enables them to avoid the extreme inefficiencies of some higher education systems in Africa, Asia and Latin America (Neave and van Vught, 1994: 9).

UTCB emerged from a tumultuous half-century as a coherent institution, conscious of its traditions, with a distinct mission, clearly focused on support for the construction and engineering industries (Fatu, 1998: 372). While it had benefited from communist-era investment in support of heavy industrial development, its student numbers had not grown sharply after 1989, as it did not offer newly-fashionable courses in business, law and the social sciences. It therefore did not suffer from the dislocation experienced at the universities undergoing headlong expansion (Korka, 2000: 51). There had been no changes to UTCB's organisation or key processes, either academic or managerial: in these terms, it remained essentially a nineteenth-century institution. I shall argue later that this history was significant in facilitating the creation of social capital under the influence of international programmes.

In Warsaw, the Polytechnic had also benefited from the communist-era expansion of technical education. As a far larger institution than UTCB, with a wider range of specialisms, it possessed less internal coherence. But its individual faculties - some, like WIL, with their own long traditions - had in general retained their coherence and, as with other large Polish universities, staff members usually regarded them, rather than the Polytechnic, as the organisation to which they owed their primary loyalty (Bialecki, 1996).

After 1989, the paths of the two countries diverged sharply. Poland's economy quickly benefited from Western investment and a set of reasonably efficient national institutions, supported by a strong national consensus about "rejoining Europe". Despite some difficult economic problems during the 1990s, continuing restructuring of its heavy industrial sector, and a period of high inflation, by 2002 Poland's GDP per capita had risen to about \$5,000 (about half that of the poorer EU countries such as Portugal or Greece), combined with macroeconomic stability. By contrast, Romania struggled to achieve economic stability through the 1990s, with hyper-inflation taking hold over several years, combined with endemic corruption. Its 2002 GDP per capita of about \$1,500 (though the large "black economy" causes understatement of wealth) made it easily one of the poorest countries in Europe. In both countries, however, democratic values remained strong, with competing political parties representing the complete ideological spectrum.



UTCB and WIL survived, changed and prospered modestly in this period, surmounting yet another set of the many challenges presented during their eventful histories. These changes during the 1990s provide the basis for the account in the later chapters of this thesis. The historical and political contexts, summarised here, have conditioned the ways in which the two institutions have responded to the new influences upon them.

## 7 The management of Polish and Romanian universities

### The "continental mode"

An important element of the literature on higher education systems, recognising the significance of state funding for most higher education, deals with the analysis of state/institution interactions. Included here are discussions of the meaning of institutional autonomy; efficiency and effectiveness questions, particularly concerning resource allocation and use; and the means by which accountability is ensured, both financially and in terms of issues such as standards and quality. Other elements in the literature include accounts of how change comes about across the system; how factors external to the institutions interact with those internal to them; and how institutions within the system may be classified.

This area of study is associated particularly with the work of Clark (1983), Becher and Kogan (1992), Neave and van Vught (1994), and Kogan, Bauer et al (2000). This body of work, together with other writing by these authors, provides part of the theoretical basis for my analysis. My other main theoretical references are to social capital theory, as noted in earlier chapters.

Clark, in his study of the nature of higher education systems, argues that "the effects of the different arrangements of authority are fundamental. They affect the way that systems operate as systems, the types of changes that occur, and the values that are implemented..." (Clark, 1983: 131). In Poland and Romania, the arrangements of authority have been, and to an extent remain, such as to make change slow and uncertain. Generally, arrangements within the universities have placed a low priority on the values which external stakeholders might hold (cost-effectiveness or responsiveness, for example), as opposed to those of the professors. But it is important not to over-dramatise: both systems have not been completely inflexible. Over the last decade, they have changed, and are changing, partly as a result of external pressure, effected through the international programmes which this study will examine. The authority structures are facing greater challenges than perhaps ever before. I shall show how some of these conflicts arise and are managed at UTCB and WIL.

Clark considers "the continental mode" as one of the main distinctive ways in which higher education is organised around the world. For Clark, the continental mode's key feature is an "authority structure that expresses primarily the interests of two groups: senior professors and officials located in a state ministry, two relatively small groups in the vast conglomeration of interests found in modern nations" (Clark 1983: 126). In terms of university management, these groups would not see their interests being served by having "a separate administrative class and [instead] have simply elected deans and rectors as amateur administrators on short appointments and easy recall". Bureaucracy working down, says Clark, "meets oligarchy working up, and neither powerful group has been interested in creating an autonomous third force in the middle" (1983: 126). This analysis is central to the understanding of change in the higher education systems of Poland and Romania, past and present. But I shall show that, at UTCB and WIL, signs of change are now becoming evident.

The Polish and Romanian universities lie squarely within Clark's continental mode, being based on the classic Humboldtian model, though in the case of Romania a French influence can also perhaps be detected in the traditional exercise of extremely strong state control. Both are overlaid with Soviet elements, particularly the (now, partial) separation of research into specialist institutions, and the creation of industry-specific higher education institutions: perhaps the Germano-Soviet model. In both countries, these Soviet-inspired changes mainly affected the institutional pattern, rather than internal structures: the well-established Humboldtian features – discussed below – were preserved.

The structure of the Humboldtian university is "built around the autonomous chair holder with his private research institute and his acolytes" (Perkin, 1984). (The assumption here about gender is not wholly accurate for the case study institutions.) Clark, as I have noted, has argued that historically the main reason for the persistence of the university as an organisational form was its flexibility, its ability to adapt to new intellectual patterns by adding or subtracting departments (Clark, 1984). The Humboldtian university offered a variant, as it grew by proliferating professorships in new disciplines or sub-disciplines, rather than expanding the roles of existing chairs or reorganising to create, for example, a departmental structure. (This use of the term "chair", meaning a group of academic staff under a professor, is distinct from the English-speaking sense of an individual professorship.)

The chair system was, arguably, initially a strength, as it led to a disciplinary and research focus when other university systems were more generalist and teaching-based. Certainly, "the German university as it had developed between 1870 and 1920 had been extremely successful, productive, innovative and famous throughout the world" (Rau, 1993: 38). Members of the University of Berlin, von Humboldt's own creation, gained 27 Nobel Prizes in the period up to 1939 (de Rudder, 1999: 7). It was the obvious model for countries like Romania, developing their own, new university systems in the late nineteenth century; and insofar as higher education was permitted to develop in partitioned Poland, these ideas affected the established universities there (Davies, 1981b: 230). A more direct connection with German ideas on university organisation for my Polish case study institution occurred when Warsaw came under German rule from 1915 to 1918. The occupation authorities re-opened the Polytechnic and took a close interest in it, appointing their own "Curator" to oversee its work (Wagner, 2001: 96). The opportunity did not arise again: during the Second World War, the Polytechnic operated clandestinely in German-occupied Warsaw.

### **Structures of authority in the Humboldtian university**

But over time, the Humboldtian university produced a sprawling structure, difficult to manage even if the central university administrations had been stronger than they were. Perkin argues that this diffuse structure caused the system to slow down, and that "the rigidly separate and isolated research institutes, each under the personal control of a single professor, may have discouraged new blood, innovation and competition" (1984: 35). Clark also identifies this chair-based organisational structure, in contrast to the departmental structure, as a restraint on change (Clark, 1983). Taking a slightly different line to Perkin, he argues that the chair structure limits the adaptive capacity of an institution. This is because, Clark suggests, the multiplication of chairs fragments decision-making capacity, and institutional growth over-burdens the individual chair-holders: "chair power is dysfunctional as well as undemocratic" (188). The chair structure is therefore said to create organisational systems problems as well as human relations ones.

In the immediate post-Second World War period, changes to the organisation of higher education took place in Poland and Romania. Following a major set of reforms announced by the new communist government of Romania in 1948, the

few older, elite multi-faculty universities remained, but developments were concentrated on the *politehnica* institutions, dealing almost exclusively with engineering and technical subjects. Additionally, institutions with industrial specialisations (construction, agriculture, and so on) were established, along with separate institutions for medicine, economics, teacher education and the performing and visual arts. A host of Academy of Science, ministry, and military research institutes were also created, with the concomitant removal of most research from the universities (World Bank, 1996: 71), although academics often both researched in an Academy or other institute and taught in a nearby university.

Broadly similar developments occurred in Poland, where the technical, medical, teacher training, agronomic, and economic universities, plus various other specialised institutions, greatly outnumbered the 11 multi-faculty universities. (By the 1980s, though, more traditional patterns were reasserting themselves, with the multi-faculty universities taking over a quarter of the total student intake. Such demand-related change was absent in communist-era Romania.) This fragmentation was accentuated through the control structures: while the Ministry of Education was responsible for the majority of higher education, medical universities came under the Ministry of Health, and art and design institutions under the Ministry of Culture (Kluczynski, 1987: 16).

This institutional fragmentation is connected with the internal fragmentation created by the centrality of the chair and faculty structure. Under these conditions, it becomes of relatively minor importance whether a particular chair is within a specialist institution, or is part of a multi-faculty institution. There are examples from other countries of the continuous growth of a few large institutions by the addition of chairs and faculties, and of the institutional fragmentation seen in Poland and Romania (Temple, 2002).

In Poland and Romania, the faculty and the chair (*katedra* in Polish, *catedra* in Romanian) continue as the basic university organisational forms. Clark observes that the chair system provides "a narrow base for comprehending and managing a modern discipline" (1983: 187). A particular example of this difficulty to be seen in both countries is the fragmentation of disciplines: a university with an applied mission, say, may have three or four chairs in the same pure discipline, each of a few people, each located in a different applied faculty. At WIL, the chair structure

appears to fragment civil engineering into a group of narrow pure and applied topics, with, for example, concrete bridges being dealt with by one chair and steel bridges by another. An exasperated modernising Rector from the Balkans has described this structure as a "chaotic mosaic...leading to unnecessary duplication...causing increased expenditure and unevenness in quality of education and [poor use of] space" (Karabegovic, 2001).

This fragmentation means that it is difficult for academic leadership to be exercised at institutional level in many disciplines, or for research strengths to be developed in these fields. The common pattern in the region of yet further fragmentation of universities into largely autonomous faculties, each with extensive (sometimes, essentially total) control over its own academic and financial affairs, adds considerably to the difficulty of implementing institutional change (Bialecki, 1996: 188; Littlewood, 1999). This situation is now more prevalent in Poland than in Romania, as a result of the Polish 1990 Law on Higher Education (Canning et al., 2004). Central university managements in these cases are even weaker than in the usual continental mode institution. I shall argue that in WIL's case, faculty and central management were each strong enough (or perhaps each was weak enough) to frustrate the other's intentions, but without achieving their own. It should be noted, though, that in other transitional systems faculties have been newly introduced in attempts to break down internal barriers and to create larger, more useful units for internal management (Hall and Thomas, 1999). It is, perhaps, not necessarily the structural forms themselves, but the ways in which they are applied in practice that create or solve organisational difficulties.

Fragmentation of the university into faculties, and faculties into chairs, creates the human relations and decision-making problems already noted. These in turn add to a set of problems, familiar to those who have worked with such institutions, which might be classified as information management. There is a reluctance among staff to work together in teams; to transmit information within the institution; and to commit themselves to particular courses of action, and then to work to implement them systematically. That is to say, levels of social capital are low. As a result, there are barriers to improving management in the universities, which are related in part to the chair/faculty structure, although wider cultural issues are also involved. These difficulties have been observed in universities in other transitional states (Temple, 2002; Temple and Billing, 2003). The formation

of social capital, I argue later, is a key factor in achieving change, and its creation has been facilitated by the international programmes. The perspective of social capital theory offers a way of understanding the connection between what these programmes are trying to achieve and the rigidities of the Humboldtian structure.

It is of course paradoxical that the communist systems of Eastern Europe, criticised as being terminally flawed as a result of excessive centralisation, should have supported university systems which seem to exhibit the opposite tendency. The paradox is probably explicable by the lack of feedback loops connecting producers and consumers (in the broadest senses of these terms) and the disincentives to innovation which exist in dirigiste, authoritarian structures. Ineffective arrangements are accordingly allowed to continue unchecked in a downward spiral (Simons, 1993: 156). If, instead, the universities inherited by the communist regimes had happened to have been characterised by strongly centralised, managerialist structures, this approach would probably have been pursued to its final conclusion of centralist paralysis.

A further possible conclusion follows from consideration of the university's position of being completely subservient to state power. Because of the grip of the professors on internal university business, and in Poland and Romania because of their political status and influence (not least their dominance within the ministries of education and industry-related ministries), producer-capture, or a cosy patronage network, effectively replaced impersonal state power (Simons, 1993: 137). Change which did occur was generally that which suited the interests of the well-connected.

Clark suggests that the European communist variation of the continental mode somewhat weakened the power of the professors, by having "campus heads appointed by government and thereby made more dependent on those at the top [of the Party/state apparatus] and less so on the professors" (Clark, 1983: 127). Although it is true that in communist Poland and Romania rectors were directly appointed by the ministry and professorial appointments were subject to Party approval, professors as a class would surely have been involved in these processes. Although evidence on such matters is scarce, it seems likely that the professor/Party split was less clear-cut than Clark implies. A case-study of a Slovakian university under communism suggests that professors, as Party members, were involved in determining policy for the university (Turner and

Loksa, 1999: 143), and the same would generally have been true for Poland and Romania. Communism in the universities thus probably had the effect of placing authority and control over change even more firmly in the hands of the professors. Despite present-day rhetoric about resistance to communist control by the Polish universities (Palka, 1995; Connelly, 1999), many Polish academics have their stories of domination before 1989 by a politicised, self-serving professoriate.

Despite the apparent drawbacks considered here, the reform of these systems today remains slow: the Humboldtian university, it is argued, "has been able to immunise itself against the winds of change" (Rau, 1993: 44). The difficulties encountered in recent years by those seeking to reform the chair system in the German universities certainly speaks of its deeply entrenched and conservative nature (Enders, 2001). But it seems likely that this is a structure that depends for its existence on being located within a state control model of higher education, with state funding as the predominant source of income. It is hard to imagine such an inflexible structure surviving in a more marketised system, where rapid institutional responses to fluctuating student demand and varying income streams are needed. Accordingly, it is "where authority has been strong at the levels of the state and of individual professors [that] the management of change has faced particular difficulties" (Brennan and Shah, 2000: 26). Some of the change management tensions arising when elements of a market approach meet a Humboldtian structure will be examined in my case study institutions.

Immediately after the collapse of communist power in Poland and Romania, overt political control of internal university affairs disappeared and the classical continental model was quickly reinstated. Understandably, there was a rush to return to what was (just) remembered as the way things had been done in better times. Senates, elected solely by the academic staff, were to have complete internal authority, with rectors and deans being elected for three years (Poland) or four years (Romania), with the possibility of standing for one further term. In the best Humboldtian tradition, the power of the professor was strongly re-asserted.

I shall later examine the implications of the Humboldtian organisational model, with this strong element of professorial control, for the international programmes aimed at encouraging organisational change in the Polish and Romanian universities. It has had a major effect on the way the programmes have operated.



## Change in Polish and Romanian universities

Consideration of change at institutional level cannot, in publicly-funded higher education systems, be divorced from system-level change. As the impact of mass higher education, globalisation and the growth of the knowledge economy continues to be felt, a trend has been observed for governments and universities in different countries to move from state control to state supervising relationships (Neave and van Vught, 1994: 9). More recent studies suggest that this trend is a continuing one (Teichler, 2003).

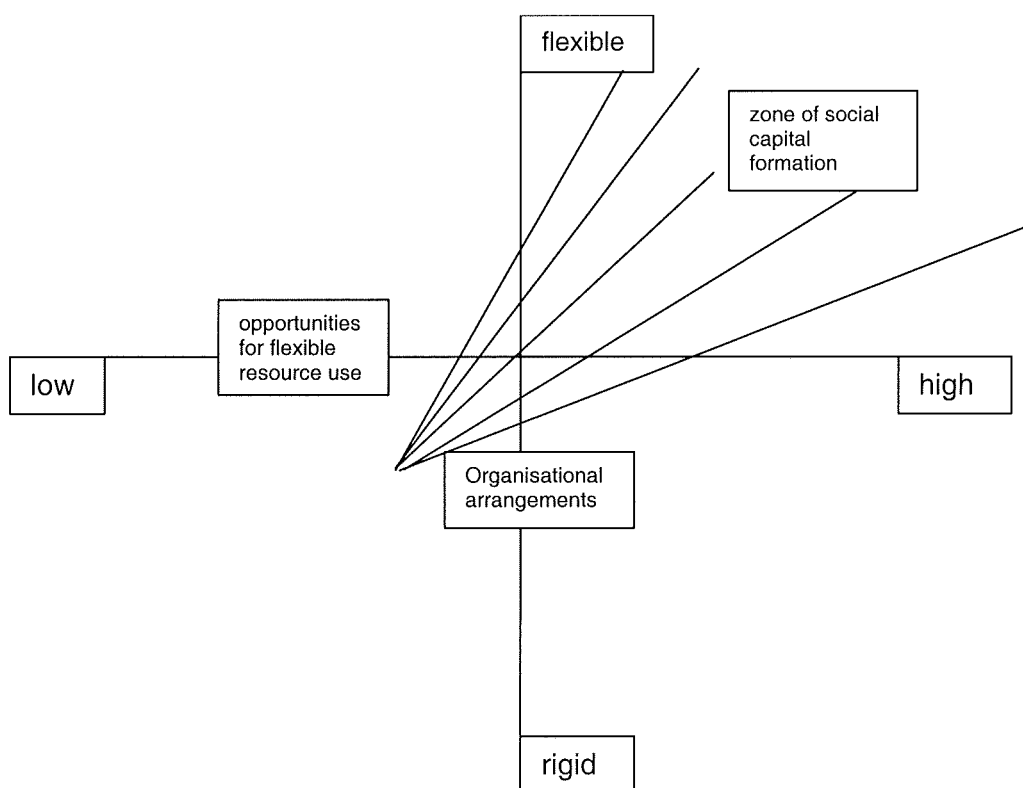
Financial arrangements are always a central feature of the relationship between public universities and their governments, and different financial patterns are associated with the state control and state supervising models, although not in a straightforward way. I shall describe later how international programmes have affected, particularly, the state control/state supervising balance so far as university funding in Romania is concerned, with consequent impact internally in UTCB. In the two cases considered here, the availability of funds from international programmes, outside the usual state funding arrangements, has been important to the creation of social capital within the institutions. The fact that the external funds were "new money", not earmarked for existing activities protected by powerful factions within the institution, provided the flexibility needed to initiate new activities, which, I will argue, led to social capital creation and use.

In both Poland and Romania, changes in national higher education policies since 1989, aimed generally at providing the universities with a greater degree of autonomy, have had an important impact on change at institutional level. As I will show, higher levels of institutional autonomy, allowing, in particular, greater flexibility in the use of resources, seem to lead to higher levels of social capital and its more effective use - so opening the way for further improvements in institutional effectiveness and efficiency.

Figure 3 suggests the way in which social capital formation in a university might be related to its internal organisational arrangements, and also to the opportunities available to it to apply its resources flexibly. This representation might be thought of as a more detailed examination of the link proposed in figure 2 (chapter 5) between "internal factors" and "social capital formation": it suggests how aspects of the university's organisation might affect the creation of social

capital. In the cases studied here, resource flexibility within the university has been increased significantly through external funding, which has not been received in the usual way from the state budget: the institutions have thus been shifted to the right along the horizontal axis of figure 3. Even within an apparently rather rigid faculty/chair structure, organisational arrangements (the vertical axis of figure 3) which permit a degree of flexibility are possible. At both UTCB and WIL, I give examples of such flexibility, which have moved the institutions up this axis, thus supporting social capital formation.

Figure 3  
*Conditions for social capital formation*



There is likely to be a good deal of reflexivity in the relations described here: it seems likely that institutions with flexible organisations and high levels of non-state funding will also exhibit high levels of social capital; and that high levels of social capital will in turn lead to greater flexibility and perhaps to more effective

income generation. It is also possible to imagine an organisation operating in market-like conditions, but failing to develop the networks and efficient exchange of information which characterise high levels of social capital. These are likely to be less successful organisations in the long-run. These considerations apply generally: studies of firms within the same industry have reached similar conclusions (Lesser, 2000: 10).

To look more closely at the changes that may be taking place within the case study universities, it is helpful to apply the theoretical framework developed by Becher and Kogan (1992). The four-way allocation of functions between central authorities, institutions, academic (or basic operational) units and individuals, which Becher and Kogan put forward, has particular analytical value in considering the structures found in Poland and Romania. These authors see all four of these levels (table 2) as being concerned with "normative" issues (such as the disinterested pursuit of truth, the promotion of disciplinary values, the maintenance of academic standards) and also with "operational" issues (such as the actual performance of individuals, responding to student or society's needs, the effective use of resources). They then further divide both the normative and operational levels into an internal component (the needs of individuals and institutions) and an external component (the wider needs of the academic profession, and economic and cultural values).

This provides a 16-cell matrix, with four "levels" (the level of the institution, for example) and four "modes" (the normative-internal mode, for example) (Becher and Kogan, 1992: ch 2). In a typical Western university, it is suggested that its "inner core", concerned with personal and internal institutional issues, may be represented by the cells shaded in table 2a; the other cells comprise the "outer framework", where external pressures are brought to bear.

Table 2a

*A framework for university activities: predicted pattern of the inner core of academic concerns*

		individual	basic unit	institution	central authority
normative	external				
	internal				
operational	internal				
	external				

Table 2b

*A framework for university activities: the polarised distribution of concerns observed in Eastern Europe*

		individual	basic unit	institution	central authority
normative	external				
	internal				
operational	internal				
	external				

Key:

	inner core: personal and internal institutional concerns
	outer framework: concerns of external stakeholders applied
	polarisation of concerns observed

[based on Becher and Kogan, 1992]

In communist Poland and Romania, the combined effects of authoritarian regimes, poverty, and (certainly by the 1980s) near-universal cynicism about the motives of those in any position of authority, were to drive people in universities, and elsewhere, to focus on the most directly personal elements of internal, normative issues. Why should they waste time and effort on promoting the wider public good, when those above them in the hierarchy demonstrably had no interest in it? Civil society, and the networks and reciprocities constituting the social capital that supports it, disappeared. One result of this, as in repressive

regimes generally, was that information sharing was greatly reduced, within the institution and more widely.

Central authorities and institutional managers in Poland and Romania, by contrast, tended to focus on a limited range of external, operational issues. These bureaucracies had little interest in matters not connected to the exercise of political control or the allocation of resources to meet centrally-determined input targets; and their symbiotic relationship with the professoriate allowed them to feel that the "inner core" was in safe hands. In these circumstances, though there is evidence that the universities in communist times were far from immune to change, managements used their political skills to ensure that the environment did not become unduly hostile to their established patterns of behaviour (Turner and Loksa, 1999). (Indeed, one might argue that this ability to change the environment, rather than to change oneself, is strategic planning in the purest sense.) Something similar was noted of Soviet industrial agencies, where the struggle for survival was essentially political rather than economic: instead of aiming for superior performance, the objective became to obtain special treatment from the state planning body (Fainsod, 1963: 417). Putting it another way, Clark has observed that higher education structures themselves tend to condition the way that change takes place (Clark, 1983: 185).

The position might be represented as in table 2b. The combination of weak institutional management (the heritage of the continental mode), strong central bureaucracies but with limited interests, and a disinclination to involve oneself in matters not of immediate personal concern, together led, I suggest, to a polarisation of interests, towards opposite corners of the matrix. It is a reflection, at the level of a single university, of the division perceived generally in communist Poland between "power" and "society" (Davies, 2001: 39), "them" and "us". This polarisation did not vanish with the fall of communism; these attitudes were by then deep-rooted: "this removal of a sense of responsibility from people is, in my view, the worst aftermath of communism", observes a Slovak University Rector (Devinsky, 2000). In universities, this attitudinal problem is aggravated by that of the institutional fragmentation, and the effect which this fragmentation has on individuals' willingness to work together.

## **Change and social capital**

Social capital theory suggests that the low-trust environment described here will lead to a change-resistant, inefficient organisation, characterised by poor internal communications and inflexible attitudes among its members. The resulting challenge for post-communist university managers might be represented as the need to ensure the occupation of the whole matrix in table 2b: for individual staff members to develop a broader, more external and operational perspective (considering students' and employers' needs, perhaps), while central and institutional authorities need to interest themselves in normative and internal issues (academic standards and quality, for example).

This amounts to reconceptualising the meaning of management in this new setting. To achieve this, in terms of the model proposed in chapter 5, managements should be concerned particularly with the issues in the "internal factors" box - institutional structure, culture, learning - while seeking to understand, and perhaps ameliorate, the impact of the external factors beyond their immediate control. Social capital, implying trust, networks and information exchange, is likely to facilitate these changes, resulting in the formation of further social capital through the "positive cycles" noted in chapter 4.

A lack of coherence between the various elements of higher education structures has widespread repercussions. For example, the difficulties which have been observed in attempting to develop quality management systems in universities throughout Central and Eastern Europe (Billing and Temple, 2001; Temple and Billing, 2003) might be characterised as representing the failure to integrate the internal and external, the normative and the operational. While individual academics may have a (normative, internal) interest in quality, there is usually little understanding of the need for an institutional (operational, external) interest, or of how the two might be brought together.

More generally, it might be argued that the introduction of any change is made harder by the failure of individuals to see the university as a structure possessing the kind of dimensions, inward- and outward-looking, personal and institutional, which Becher and Kogan's model suggests. A narrowly-focused, instrumental outlook by individuals has been identified in other settings as preventing social capital formation (Coleman, 1997). I shall describe later how, at UTCB,

international programmes have begun to affect these attitudes: people are now starting to take a more holistic view of the University's activities, leading to (I will argue) an increase in social capital and the potential for further change.

The international programmes have worked effectively when they have been able to mesh with core academic values within the Humboldtian organisational framework. Social capital theory would suggest that the programmes have facilitated change through the creation of "closed" networks - that is, in this case, networks of academic staff linked to networks of administrative staff and of other academics, so closing the circuit, as it were, across the organisation (Coleman, 1997). But "radical" change (certainly as it would be defined locally) has also occurred, with the largely unanticipated outcomes of international projects challenging some long-held academic values.

Analysing the various types of radical change which take place in higher education, Becher and Kogan distinguish between coercive change, normally the result of direct external pressures, and manipulative change, when some form of incentive is offered to those carrying out the change (1992: 138). In Poland and Romania during the communist period, the usual mode of change was of course the coercive one. In higher education, as in many other areas of life, this led to a culture of compliance: doing just enough work to stay out of trouble, and if possible (if one were so inclined) carrying out the official requirement in a way which subverted its purpose.

Certain structural aspects of higher education systems may make successful change more or less likely. One of these is the extent to which institutions are free to experiment with differing forms of provision, and for there then to be imitation by others of innovations perceived as successful (Clark, 1983). This type of institutional innovation is said to occur more readily under conditions of state supervision, preferably in a quasi-market setting, as individual managements then have incentives to pursue "lateral emulation" in order to seek out ways to advance institutional goals (Neave and van Vught, 1994: 302). By contrast, rigid state control ensures that only top-down change occurs, usually infrequently. The rational response of managers in this situation will be to pursue institutional advantage through the kind of political channels mentioned earlier, there being no market-related mechanisms available to reward success.

What the international programmes have to an extent achieved is to have introduced manipulative change (bidding for new project funding, for example) as an alternative to coercive change. This has led to creative responses in the universities to take advantage of the new opportunities in the quasi-market: international carrots, so to speak, have appeared alongside ministry sticks. I will show how, at UTCB and WIL, responses to international programmes have affected the institution by stimulating change at different levels. As a result, I will suggest, social capital has been created, to be available for use on future occasions. There is no evidence, however, that this has been deliberately sought by the international programmes.

### **Conclusions: change in the “continental mode”**

The central task of management in higher education, suggested by Becher and Kogan’s model, can be presented as the need to integrate the normative and the operational, the internal and the external. It is a commonplace of management studies that effective organisations should ensure that the personal needs of individuals, the collective needs of the work group, and the longer-term goals of the organisation, are all kept in balance. In a similar way, higher education managers need to try to integrate the personal goals of individual academics; with basic units’ needs to maintain or strengthen their position within their discipline; with the institution’s need to ensure academic quality; and with external pressures to meet social and economic demands of varying kinds.

In a continental mode setting, this might be thought of as redefining and expanding the meaning of institutional management, by involving more people in different ways in management processes: that is, by adopting a more collegial, or distributed, approach.

This kind of integrative approach is likely to be conducive to, and also to require, network-building, the creation of trust, and so to social capital formation and the benefits which this can bring. Opportunities for flexible resource use and more flexible organisational arrangements, which may be stimulated by international involvement, as suggested in figure 3, may support social capital formation.



Social capital may then be the tool needed to allow the integration of the different modes in the framework in table 2 to be achieved. In Polish and Romanian universities, the Humboldtian and communist traditions have together meant an absence of managements with broad, integrative perspectives. There has, in general, been a failure to build trust and to create social capital: again, we see the effect of a fragmented institution. I shall show that the international programmes have to an extent been successful in encouraging some of those involved to take a more holistic view of their institution.

## 8 International programmes for Polish and Romanian higher education

### The structure of international support

While individual Western countries supported change in Polish and Romanian higher education during the 1990s through various bilateral programmes, the largest amounts of financial assistance came through World Bank loans and the grant programmes of the European Union. (I use the term "programme" here to describe a managed, linked set of activities with a broad policy goal; a "project" is an activity or group of activities aimed at delivering part of a programme.)

The two countries emerged from the communist era in very different conditions, as has been described. While the Polish people had been struggling towards a new understanding of their social and political arrangements for nearly a decade, Romanians emerged at the end of December 1989 with startling suddenness from the fearfulness and lunacies of the Ceauşescu regime. These differences were reflected in the approaches of the international aid agencies towards higher education in the two countries. Romanian higher education was seen by the World Bank, even by the mid-1990s, as having "acute problems" (World Bank, 1996: 7), and therefore a priority for financial assistance. While, at about the same time, many problems were identified in Polish higher education, the "international respect...for [Poland's] achievements" and the way "successive governments have been promoting many changes with a sense of urgency" (OECD, 1995: 5) appeared to mean that Poland would not receive large-scale multilateral financial assistance for higher education reform. Polish higher education was, though, a major beneficiary of the EU's institutionally-focused TEMPUS programme, discussed below, and also took part in various cross-national EU programmes.

In Romanian higher education, important changes occurred at system-level during the 1990s under the influence of multilateral and bilateral aid programmes. Detailed Ministry control of the universities was reduced, allowing them to exercise more authority over student admissions, staff appointments and the management of their estates, for example (Marga, 1998: 5). The most far-reaching change, however, was the introduction in 1999 of a formula-driven

funding system for the universities, removing the need for constant, detailed financial negotiations between university officials and the Ministry over each institution's line-item budget. In essence, this formula calculated an institutional block-grant according to student numbers by subject of study, level, and mode of attendance. Additionally, the introduction of student tuition fees provided universities with a funding stream independent of the Ministry (Miroiu and Dinca, 1999). All these changes took place under the auspices of various overlapping international programmes, which provided technical assistance for their introduction.

In Poland, perhaps paradoxically, system-level change was slower. Central government financial allocations to universities for teaching purposes were calculated by a complex algorithm that essentially funded existing staffing establishments and provided student support, with only a small factor related to actual student numbers by discipline. Research funds, managed by the State Committee for Scientific Research (KBN), were similarly allocated mainly according to institutional size and reputation (OECD, 1995). While bilateral and multilateral agencies were active in Poland during the early- and mid-1990s, unlike in Romania they had, it seems, little impact on system-level processes in higher education. We may speculate that the perceived rapid progress of modernisation generally in Poland, and a more self-confident political and administrative class, deterred external engagement with topics of this kind. Jasinski (1997) and Juszczuk (2000) have argued that the tradition of centrally-planned, top-down higher education initiatives, combined with inward-looking universities, has slowed change in Poland. No doubt this is true, but the same factors have not prevented change in Romania and elsewhere. Whatever the reasons, little system-level change has been reported in Poland during the last few years (Canning et al., 2004).

Interventions in Romanian higher education by the international community up to the mid-1990s were somewhat piecemeal. But in 1996, after lengthy discussions, the World Bank and the European Commission agreed with the Romanian Government a wide-ranging programme for higher education reform. The programme budget was agreed at \$84m, made up of a \$50m loan from the World Bank, a \$24.4m contribution from the Romanian Government, and a grant equivalent to \$9.6m from the European Commission's Phare programme (Velter, 2002). The national annual budget for higher education around this period has

been estimated at about \$50m, though the effects of hyper-inflation make currency conversions problematic (Dinca and Damien, 1997: 46). The programme was therefore of major potential significance to Romanian higher education. ("Phare" is the acronym for the EU's main support programme for the countries of Central and Eastern Europe; education forms a minor element of its activities, which cover industrial and agricultural restructuring, infrastructure improvements, public administration reform, and other matters (Phare, 1999)).

The agreed programme consisted of three components. Component I, covering the development of management capacity in the institutions and in the national councils responsible for higher education (dealing with, respectively, finance, research, and accreditation), was to be the responsibility of the Phare programme. The \$9.6m equivalent contribution funded a contract to provide technical assistance for management capacity building. This was awarded to a French-led consortium under the direction of the consultancy firm SODETEG, with the support of Université Paris VI and partners from other EU countries.

The remaining two components covered the development of undergraduate university programmes in fields which had been repressed in the communist period (such as the social sciences), the development of "college"-level studies (three-year sub-degree programmes), and the development of continuing education (Component II with a budget of \$28.4m); and research and postgraduate education (Component III with a budget of \$41.4m).

Total spending on the whole programme, which operated between 1997 and 2002, was therefore finally just under \$80m (Velter, 2002).

I shall examine the impact particularly of Component I, known simply as "Phare" in local terminology, on UTCB, as this was the element which impacted most directly on organisational change. (The TEMPUS and Multi-country programmes, described below, are also financed from the European Commission's Phare budget, but for clarity I will use the term "Phare" to refer to the Romanian management development project.)

Considering the World Bank/European Commission programme as a whole, UTCB was a rather minor beneficiary of this unprecedented largesse for Romanian higher education, receiving 4% of total funds allocated on a project

basis. The two large Bucharest institutions, the University and the Polytechnic, between them received 32% of the total (Velter, 2002). In Component I, however, most of the funding was managed centrally, by a national project management unit, rather than being allocated to institutions, so it is harder to determine the extent to which individual institutions benefited. The activities undertaken in Component I relating to individual institutions included an extensive programme of visits by different groups of university managers to universities and public bodies in EU countries; and training within Romania provided by experts from EU countries on strategic planning, financial management, IT systems and other management topics (European Commission, 1994).

Component I was to operate by using a "a cascade model of training" (European Commission, 1994: 19). The aim was that a group of 12 "level one institutions", the larger universities, would act as lead bodies, linked to a cluster of "level two institutions", comprising all the remaining public higher education institutions in Romania. At the time, Romania had 49 university institutions in total, although many were small specialist institutions. UTCB became a level two institution, linked to the Polytechnic University of Bucharest.

The European Commission's support to Romanian higher education went beyond its contribution to the major reform programme, however. Of particular significance for this study was its TEMPUS programme ("Trans-European Mobility Programme for University Studies"), aimed primarily at enabling joint academic projects and staff exchanges with EU universities. It is important to note that TEMPUS was a reactive programme, in that it set broad themes and encouraged project proposals within those themes (Kehm et al., 1997: 20). These typically covered institutional capacity building as well as improved subject knowledge, curriculum development and the introduction of new teaching methods (European Training Foundation, 1999). During the mid- to late-1990s, the annual TEMPUS budget for Romania was of the order of \$15m (Dinca and Damien, 1997: 21). Total TEMPUS spending in Romania during the 1990s was therefore of a similar magnitude to that of the World Bank reform programme.

Poland was also a beneficiary of the TEMPUS programmes. Its TEMPUS budget was considerably larger than Romania's, peaking at around \$35m in 1993/94; it had been one of the first TEMPUS recipients, with programmes starting in

1990/91, while in Romania they began at a modest level in the following year (Kehm et al., 1997: 17).

While Polish higher education, as noted above, was not the subject of large-scale multilateral project support, some institutions did take part, as did Romanian institutions, in what are known as Multi-country projects under the Phare programme. These were projects managed by Western "technical assistance" contractors, covering all or most of the countries of Central and Eastern Europe, intended to encourage developments in defined topics locally. For higher education, Multi-country projects covered open and distance learning, and institutional quality management (Phare, 1999). WIL played a minor part in the open and distance learning Multi-country project, jointly with a group of other Polish universities. UTCB was not involved in either.

UTCB was a keen participant in TEMPUS projects (strictly speaking, TEMPUS Joint European Projects, or JEPs), which, in their most typical form, required one or more Eastern partner institutions to link with two or more Western institutions, from two or more EU states. UTCB took part in 11 TEMPUS JEPs between 1991 and 1998, many continuing over several years and involving a wide range of EU partners (Fatu, 1998: 535). (Across the region, the mean number of projects per institution was seven (Kehm et al., 1997: 231).) Unlike Phare, these projects were managed within UTCB, in cooperation with its EU and any Romanian partners, and were sometimes led by UTCB. As a result, substantial and novel management tasks had to be undertaken by both academic and administrative staff. I shall suggest that this work proved to be highly significant.

Although less intensively involved than UTCB, WIL also took part in four TEMPUS projects between 1994 and 1999, and has continued its international involvement through the later elements of the European Commission's Socrates programme. As a study undertaken in another Polish university has found (Olesky and Wasser, 1999), the new access to the West in the early years of TEMPUS made a great impression on the individuals concerned.

In summary, the international projects concerned with higher education reform in Poland and Romania during the 1990s might be classified in this way:

Table 3  
*Organisation of international projects*

<i>Organised at the level of:</i>	<i>Planned impact on:</i>	<i>Example:</i>
national higher education system	national system	Romania: financial reform
national higher education system	institutional operations	Romania: Phare
higher education institution	institutional operations	TEMPUS

### **Objectives of the international programmes**

The designers of the international programmes supporting organisational change (as distinct from those aimed at academic change) were not specific about the organisational model or models they considered they were encouraging. The programmes were presented in terms of the general outcomes they sought to achieve – a strategic approach to management, with an emphasis on strategic planning techniques; the application of current Western methods in financial and human resource management; provision of computerised management information; entrepreneurial approaches to the generation of non-state funding; and actions to reduce unit costs. In the TEMPUS context, Kehm et al. refer to this approach as the “Western European *zeitgeist* of searching for management miracles” (1997: 312).

These objectives would be unexceptional aims in an Anglo-American-type higher education system, operating within a state supervising model of public accountability. They were, however, as we have seen, to be achieved within a Humboldtian-type organisational structure, set within a state control model with long-established authoritarian tendencies. I have presented evidence that university direction in such systems is in the hands of the professoriate, with accountability to the ministry. The international programmes, however, assumed to a significant extent that a managerially-directed system existed, with substantial inputs from professional managers and broader forms of stakeholder accountability. We may contrast the two systems – taking an ideal-type approach, as particular systems will differ considerably – in the way that is summarised in table 4.

Table 4  
*Comparison of Anglo-American and Humboldtian approaches to university management*

	Anglo-American systems/ state supervising model	Humboldtian systems/ state control model
Governance	Governing body with mix of internal academic and external lay/political members	Governing body (Senate) consists solely of internal elected academic members
External accountability	To ministry, perhaps via intermediary body, and to other stakeholders	To ministry, with focus on detailed budgetary control
Institutional leadership	Appointed by governing body, perhaps with state/stakeholder involvement	Elected from and by academic staff
Management structures	Strong central managements, relatively weak departments or faculties	Strong faculties and professoriates, weak central managements
Academic structure	Large departments reflecting disciplinary boundaries	Small 'chairs' based around individual professors, forming faculties
Teaching and learning	Student-centred learning; critical approaches; varied patterns of assessment	Emphasis on professorial authority; learning of "facts"; frequent oral exams
Funding	Mixed state/private funding; flexibility in resource use	State funding; tight restrictions on resource use
Staff employment	May be employed by institution or state; varied employment contracts	State civil servants; standard employment contracts
Real estate	May be owned by institution or state	State property

The international programmes examined in this study do not appear to have taken account of these crucial differences in organisational philosophies, traditions and structures in their approaches. Indeed, I have not found a single reference to the implications of the Humboldtian system of university organisation in any official accounts of the various programmes which have operated in Eastern Europe. They have shown no sign of having devised approaches tailored to the particular structures and systems of these universities: the unspoken



assumption seems to be that "university management" is simply a technical issue, to which improvements can be made by the use of a set of standard tools. The programmes' approaches were clearly consistent with moving towards the Anglo-American, state supervising model, assuming either the existence of, or the rapid creation of, effective central institutional managements.

It must follow from what the programmes intended that the managements that would come into existence would, for example, propose university-wide strategies and allocate resources to achieve them. This might perhaps involve restructuring academic units, staff recruitment or redundancies, shifts in spending patterns, and acquisition or disposal of real estate. All these activities, entirely consistent with the assumptions of the international programmes, would be deeply problematic, if not impossible, for a Humboldtian institution with a state control tradition. It is true that, as I have shown, the Polish and Romanian higher education systems may be seen as being in transition from state control to state supervising: even so, the Humboldtian pattern persists strongly.

Was the intention of the international programmes, then, that the Polish and Romanian universities would move from the Humboldtian model to the Anglo-American model? Or was it thought that they could adopt these new managerial approaches while remaining within the Humboldtian tradition? Or was the distinction simply overlooked? The apparent inability of, particularly, the World Bank to see educational issues other than from an American perspective has been noted by other analysts of the work of international agencies (Crossley and Watson, 2003: 90). The approach of the Asian Development Bank to higher education reform has also been analysed in similar terms (Weidman, 1999).

In any event, the finding that few institutions across Central and Eastern Europe, in considering TEMPUS project proposals in the 1990s, "saw a necessity for further reorganisation of their management and administrative structures" (Kehm et al., 1997: 285) supports the notion of a mismatch between programme assumptions and institutional realities. The *zeitgeist* of "management miracles" did not seem important to many institutional leaderships.

Whatever the thinking in Brussels or Washington, the impact of organisational development programmes on structures and systems rooted in the Humboldtian tradition was bound to be different than if they had been aimed at universities

based on the Anglo-American model. This study will examine what the impact was in our Polish and Romanian case study institutions.

## 9 Creating social capital: research findings

### Introduction

International programmes have had important impacts on UTCB and WIL: on the ways in which many staff now see their roles, on the web of connections - local and international - which have developed, and on changes to management processes. Superficially, the effects of the programmes have been rather similar: staff have worked on projects in a variety of ways, developed links locally and with partners abroad, and achieved outcomes broadly as specified. But the effects on the two institutions have been different in important respects. At UTCB, the effect may be seen in centripetal terms, with improved institutional cohesion resulting; whereas at WIL, the effect has been centrifugal, with outwardly-focused entrepreneurial activities developing as a result. I shall explore the possible reasons for this difference.

Table 5 summarises the impact which the international programmes have had at UTCB, locating changes observed there in terms of issues connected with processes and structures, and in terms of their impact on specific functional areas of management. Many of these changes are relatively minor, or are of a hesitant, tentative nature, although with the potential in some cases to become more far-reaching (new approaches to teaching and learning, for example). But others are already significant, such as the changed approach to University decision-making as a result of the introduction of the national formula-based funding system.

A theme running through these changes is the improved transmission of information in the University. Where once limited professional horizons and restriction of information were the norms, broader perspectives and new ideas are now becoming more common, at least for some people. In terms of the model of change in figure 2 (chapter 5), changed internal or institutional factors, and disciplinary factors, have begun to have an effect.

Table 5  
*Summary of impact of international programmes at UTCB*

process/structure issues	functional areas			
	teaching, learning and research	finance	human resources	physical resources
institutional autonomy	consideration of curricular change and new teaching styles	financial decision-making to reflect institutional policy goals	development of approaches to maximise use of human resources	new view on ownership of assets
national funding arrangements	pressure from formula funding for effectiveness in teaching and learning	new financial flexibility has required new skills	local decision making on staffing needs	effective transfer of premises ownership from state to the University
management structures and processes	new faculty structure introduced	MIS developed	new roles for administrative, finance staff in managing intl. programmes	study of premises use abroad
internal devolution	development of new approaches to teaching, learning and research	new types of decision reflecting new funding mechanism	key HR decisions made at catedra level	equipment purchase decisions devolved
professionalisation of management	-	MIS has enhanced professional financial responsibilities	new emphasis on effective staff selection processes	-

A notably different pattern emerged at WIL, as summarised in table 6. Here, there is a sense of change being stimulated in the Faculty, as a result of similar organisational and disciplinary factors to those found at UTCB, but then being held back by central University, or national, structures or policies. As a result, energy is diverted into entrepreneurial channels, effectively external to the University. In terms of the model of change in figure 2, both internal factors (but at University rather than Faculty level) and the policy environment (the continuation at system level of an inflexible model) are implicated in this outcome.

Table 6  
*Summary of impact of international programmes at WIL*

process/structure issues	functional areas			
	teaching, learning and research	finance	human resources	physical resources
institutional autonomy	motivation by contact with outside professional groups	-	emphasis on effective use of professional resources	-
national funding arrangements	system encourages work outside institution	rigidities imposed on local systems	limited flexibility through central control of staffing	-
management structures and processes	improved short-course design skills	emphasis on operation of profitable courses	development of entrepreneurial skills	-
internal devolution	continued sense of Faculty independence	source of central/Faculty conflict	appreciation of range of skills needed	questioning of cost/use of physical resources
professionalisation of management	skills in new entrepreneurial venture	closer examination of cost-base	sharpened sense of range of skills required	use of external facilities for short courses

As noted in chapter 8, international programmes in Romania (less so in Poland) have had a significant impact on systems and processes at national level, affecting particularly the calculation of funding allocations to institutions and the extent of central controls exercised over the use of funds. These changes, in turn, have affected processes within institutions: at UTCB, the need to make decisions about matters previously determined centrally has started to produce new attitudes and approaches. Changes in national policies about staffing levels and use of premises, again influenced by advice from international programmes, have also fed through into local-level changes. International programmes focused on national policies have thus had an indirect impact on institutional managements.

Changes of this sort were less marked in Poland, reflecting the relatively unaltered structure of the national arrangements.

At UTCB, the two main international programmes intended to operate at institutional level, Phare and TEMPUS, each had a different impact. The large, centrally-managed Phare project had a limited direct impact, although some of its effects may lead to later changes. On the other hand, the relatively small, locally-driven TEMPUS and similar projects have led to important changes in attitudes and actual practices, affecting both those directly involved in the projects and those who became indirectly involved. I go on to examine some of these effects in more detail. I suggest that social capital theory provides a means of understanding this differential impact.

At WIL, where this study reports mainly on TEMPUS and similarly-configured Socrates projects, possibilities were opened up for entrepreneurial activity providing continuing professional development for engineers working in industry. The very effectiveness of the activities undertaken through TEMPUS led to considerable frustration when the University centrally failed to support their continuation. The social capital which had been created through these projects was then applied to develop entrepreneurial activities outside the University.

In summary, the projects studied in each institution were as follows:

Table 7  
*Summary of projects studied*

<i>Project type</i>	<i>UTCB projects</i>	<i>WIL projects</i>
TEMPUS	EUROHOT CESNET	CEEPROADS
Socrates	-	VINE
Phare	Higher education reform: management capacity development  Development of Learning Centre	Multi-country project: open and distance learning

## Individual learning and change

Most of the academics interviewed at both institutions had taken part in TEMPUS projects, which had typically involved collaboration with educational institutions and other organisations in several EU countries, and often with other institutions in their own country. They were uniformly enthusiastic about their experiences: for some, it had been the formative professional experience of their post-communist lives.

At UTCB, Professors Valentin Anton and Iordan Petrescu had been the leaders of a long-running TEMPUS project, EUROHOT. This had developed distance-learning materials for highway engineering technicians, drawing on expertise from institutions in the UK and elsewhere, and adapting them for Romanian use. Valentin and Iordan had then used their experience with EUROHOT to create a financially self-sustaining activity within the University structure, selling learning packages to highway contractors in Romania and accrediting their staff after the assessment of written work. (Developing sustainability of this kind is a rarity among aid-funded projects.) The TEMPUS project, through the close and lengthy collaboration it had produced with the Western partners, had changed the way the two men thought about many aspects of their work as academics: what Valentin called "the shock of a new idea" had been profound.

The Romanian Phare project, by contrast, had involved a small number of the UTCB Rectorate (that is, the Rector and Pro-Rectors), and some senior administrative staff. As UTCB had been a "level two institution" (as described in chapter 8), it had been less directly involved than some other institutions, but several interviewees had nevertheless taken part in Phare activities. Compared with TEMPUS, however, the impact was far less distinct. The Director-General Administration (DGA), Mihaela Constandache, had visited universities in France, Germany and the UK to examine approaches to student support and the management of student facilities and residential accommodation, these being major aspects of her job. She believed that this experience had led to changes at UTCB, although she was imprecise about what these might have been. This is perhaps not surprising: financial and regulatory constraints limit what the University can do to improve (for example) the dire state of student accommodation. My impression was that Mihaela wanted to appear positive

about her involvement in the Phare project, but had no concrete examples of change to which to point.

Anna Tanasescu, the Human Resources Manager at UTCB, had also been involved in the Phare project, in the management information systems (MIS) component, but the experience appeared not to have made a strong impression. To her, it seemed to have been a short-term, fragmentary affair, which had not engaged her fully. (The perception of the project being short-term reflects her personal experience rather than the actual Phare project structure, but does highlight an important difficulty. I return to this point below.) However, Anna had seen that people had developed "new points of view" as a result of their involvement in international projects, and she had concluded from this that there was now a need for everyone in the University to adapt to new circumstances. The impact of these projects on people's attitudes may thus not necessarily be direct or immediate.

As I noted earlier, the administrative staff in Polish and Romanian universities are in a largely subservient position, squeezed, as Clark (1993: 126) has observed, between the professors and the ministry officials. People in these roles are not generally assertive and self-confident; many are women, further disadvantaged in male-dominated institutions where many roles are strongly gendered. (Finance in Eastern European universities, for example, appears to be generally seen as women's work: it will be interesting to see if this changes once institutional financial management becomes a more significant function under new funding arrangements.) But there are striking exceptions to this subordination, and university administration in Eastern Europe seems to offer opportunities for able and determined women to achieve senior appointments. Because my case studies are of engineering institutions, they contain few female academics – although probably a larger proportion, including senior staff, than would be found in most UK university engineering departments, for example.

The contrast between the international project experiences recounted at UTCB is instructive. In the case of the TEMPUS project, those involved were able to relate their new experiences with their Western partners to their own professional knowledge, share it, and act upon it. In a Humboldtian university, one might expect that professors would be in a position to arrange matters in this way, if they chose to do so. A previous study of the impact of a TEMPUS management



project at a research institute in Belarus reached similar conclusions, noting additionally that the involvement of Western partners gave the proposed changes added credibility locally (Coulter, 1998). None of my respondents suggested that "Western credibility" as such was a factor in deciding whether to introduce an innovation: the test was simply its relevance to local needs. This may point to the greater self-confidence of Polish and Romanian institutions, as compared to those in ex-Soviet states.

In the Phare instances of administrative activity, the new experiences were less assimilable and could not be so easily acted on. This was partly due to the people involved lacking the degree of autonomy which professors could exercise, and partly due to the greater complexity of changing administrative structures and processes (possibly with national implications in a still strongly-centralised system), compared with changing teaching styles, for instance. The structure of the Phare project, discussed further below, was also relevant. Even so, participation in the Phare project had begun to affect the outlooks of the administrative staff involved. Some had a widened perspective on their work, with changed professional attitudes.

### **Networks and teams**

I had expected that those involved in Phare activities would cite as a benefit the establishment of networks with people doing similar jobs in other institutions in Romania, or possibly even in the Western countries visited. (There is very little inter-institutional job mobility among either Polish or Romanian university staff, both academic and administrative, and few opportunities normally for travel to other institutions. As a result, professional horizons tend to be restricted by Western standards. All the academic staff I interviewed had been students at the University where they now taught, and had spent most of their working lives there. Administrative staff had also normally spent most of their careers in the same institution.) In fact, none of the administrative staff raised networking as a benefit, and seemed slightly puzzled by the notion when I mentioned it. This points towards Phare activities achieving little in terms of social capital formation. Academic staff, by contrast, saw network building, within the institution and internationally, as a central benefit of involvement in TEMPUS projects: Dan Stematiu at UTCB identified "human contact" as the greatest benefit of such

projects, while Henryk Zobel at WIL thought that "strong feelings of team membership" had been created.

At WIL, a TEMPUS project named CEEPROADS, with rather similar objectives to UTCB's EUROHOT, operated from 1994 to 1997. The project, led by Professor Wojciech Gilewski and involving partners in France and Finland, and two other Polish technical universities, Kielce and Rzeszów, developed a continuing professional development programme for engineering staff of the National Highways Administration, GDDKiA.

Many of the Polish academics expressed similar feelings to those of their Romanian counterparts about their involvement in this project, although perhaps less emotionally. The project manager, Professor Roman Nagorski, had "positive feelings" about his work on the project. Another person involved in CEEPROADS, Professor Henryk Zobel, as noted above, thought that the project had developed, across the various units within the Faculty, a sense of belonging to a team. (The Faculty is divided into four Institutes, each of which is composed of between two and four Divisions: there are 13 such basic units in all. The Faculty has consciously moved away from the traditional *katedra* (chair) structure, although this is not typical of the University as a whole. It should be noted that this organisational distinction is not apparent in the English translations of University literature.) The project had, Henryk thought, involved younger members of staff, encouraged them to work together as a team, and provided them with new contacts, nationally and internationally. Moreover, in intellectual terms, the project had focused both the theoretical and applied work in the Faculty for a single purpose in a way that otherwise only happened rarely.

Henryk Zobel contrasted this creative sense of working as a professionally-motivated team with the Faculty as he had known it in the 1980s - rigidly compartmentalised, with a politicised professoriate "intent on maintaining its own power". At the same time, as an engineer, he could not but lament the loss of status which his profession had suffered in recent years: they had been the elite in the communist era, but now, he remarked sardonically, "the lawyers are in power, and the good students go to work in banks".

Andrzej Sambor, a more junior member of staff who had been the assistant project coordinator of CEEPROADS, had had little contact with the West before

working on the project; as if to emphasise its historical significance, he noted that it had begun at a time (1994) when "Poland was still in transition". On a personal level, the project had, he said, introduced him to new concepts and had given him "ideas about continuing education for the first time". He had gone on to work on other international projects, including a current EC-funded PORTAL project on regional and local transport management, drawing on the ideas about professional training which he had gained from CEEPROADS, and also using the networks created by that project. This seems to be an example of social capital being created in one context, and then being applied to facilitate developments in another.

WIL's closest experience to the Romanian Phare project was its limited participation in the Multi-country open and distance learning project, noted in chapter 8. Robert Gajewski, a young assistant professor at the Faculty's Centre for Computer Methods, had been involved with colleagues from the Universities of Poznan and Gdansk in this work in 1999/2000. His feelings about this activity seemed rather similar to that of the Romanians involved with Phare: it had been "quite interesting", particularly a conference held at Poznan in 2000, but it had not seemed to relate directly to his "real work". However, he did go on to develop a project under the Socrates programme in this field, stimulated by this initial involvement.

It seems likely that the UTCB and WIL TEMPUS projects considered here, through being conceived largely within the two institutions, facilitated the exchange of information and network-building within the institution, and beyond. The fact that each project was firmly located within a disciplinary network was also probably significant in stimulating other, linked, networks, as well as helping to achieve successful project outcomes. Two UTCB academics, writing about the "internationalisation" of engineering education in their University, similarly point to the benefits of building wider networks to support new activities (Manoliu and Radulescu, 2001). Projects under the Phare programme in Romania, and the Multi-country project in Poland, by contrast, being externally planned and managed, did not show this effect to any detectable extent: in Romania in particular, people had to think hard to find positive things to say about their involvement. An enhanced ability to process and exchange information via networks represents an important aspect of social capital formation and is

associated with improved institutional effectiveness (Szreter, 2000). The TEMPUS approach appears to be clearly superior in this respect.

### **National and institutional systems**

The system of university funding in Romania, *finanțării globale*, introduced in 1999, is, as described in chapter 8, designed as a block-grant system driven largely by institutions' student numbers (Miroiu and Dinca, 1999). This shift from traditional line-item budgets, allowing Ministry officials detailed control over individual expenditure heads, to the allocation of a single block of funds, has provided universities with more flexibility over the use of resources than they have ever known. Added to this is the new freedom to charge student tuition fees: this has become an important source of income for high-status institutions offering marketable degrees in fields such as economics and law (Marga, 1998); but even a technological institution such as UTCB now generates significant income from this source.

UTCB staff considered that the introduction of the new national funding system had been strongly driven by international projects advocating the block-grant approach: the World Bank and the European Commission had recommended it, and had supported various technical assistance activities to help the Ministry develop a suitable system (European Commission, 1994; World Bank, 1996).

In turn, the new national funding system had led to changes within UTCB: decisions now had to be taken about internal resource allocation that had previously been effectively taken by the Ministry through its construction of the line-item budget. The Pro-Rectors and the Chief Accountant remarked on the knock-on effect on internal management which this national change had achieved. Spending decisions in the University were described by Dan Stematu as now being "rational", in the sense that various options were considered during the budgetary process and the highest priority chosen after due consideration: this was, to Dan, a "new thing". A recent example had been a choice presented between investing in new printing facilities or upgrading the computer network. Dan explained that this transparent approach also now determined the internal allocation of research funds.

Staff at UTCB were, then, for the first time, being required to take a holistic view of ends and means for the University. In the terms of table 2 (chapter 7), staff were being called upon to consider both normative *and* operational issues. The new financial arrangements were demanding teamworking and information-sharing in ways that had not happened when the University was controlled centrally, in detail. The conception of management was being widened; social capital was being created and put to use.

The international programmes had also had a direct effect on UTCB by funding capital programmes. I have noted the large size of international programmes in relation to the Romanian state higher education budget: some 70% of UTCB's capital funding has come from these programmes in recent years. The resulting need to assess priorities and opportunities, to assemble credible bids, and to manage the resulting investment, was felt by my informants to have led to a more pro-active and professional approach by senior managers, similar to the changes produced by the block-grant system for recurrent costs. A "philosophy of competition", thought Professor Radu Damian, had been established, in which success in meeting more or less objective criteria was replacing political deal-making as a source of funding - although Iordan Petrescu believed that the process was still too politicised. Despite whatever imperfections there may be in the process, it is a significant shift from the Humboldtian position of the professors and the ministry making private decisions on resource matters, towards a more transparent, state supervising type of relationship with Government.

At WIL, though, a less positive picture emerges. Polish university funding has not been restructured by the use of a transparent algorithm, as it has been in Romania, and is allocated largely on historical criteria, so perpetuating the tradition of detailed central control. Even the generation of income from student fees has to be managed by the device (widely agreed to be unsatisfactory) of accepting students on a supposed part-time basis, as charging fees to full-time students remains unlawful (Canning et al., 2004).

This system-level rigidity appears to be reflected within the University. The wish in the Faculty to continue the work begun in the CEEPROADS project, by offering continuing education on a commercial basis, could not be carried on within the University structure, because of what was seen as discouragement from the

Rectorate. Although a University Continuing Education Unit was established as a result of the experience of the project, the Rectorate soon decided to discontinue it. As a result, IKKU ("Continuing Education in Transportation Engineering"), a private, for-profit training organisation had been created, owned and operated by WIL staff, mostly those who had been involved in the project. This situation was not thought by everyone involved to be unsatisfactory: Wojciech Suchorzewski, who had worked on the project, commented that a lack of central University interest left the Faculty "with the freedom to get on with things". For his part, he was content simply to take advantage of the prestige of the University's name, and otherwise to act largely independently.

It seems that here, the social capital created by the TEMPUS projects has been channelled to purposes outside the University. As a result of what is considered in the Faculty to be a rigid and unresponsive central University management, the accumulation of social capital produced by work on the TEMPUS projects is not being drawn on by the University generally, but has been diverted to the creation of a free-standing training organisation. This is an example of the issue identified by Canning et al. (2004: 34) of Polish universities failing to "pursue commercialization objectives on behalf of the academics and the academic institution": although in this case, the academics have benefited, but not as members of the institution.

### **Structures and processes**

The structural change encouraged by the CEEPROADS project in Warsaw was the creation of the University Continuing Education Unit, pressed forward by Wojciech Gilewski but subsequently closed by the Rectorate. There were conflicting views about the reasons for this closure. The central University administration maintains that the decision was made on business grounds: the Unit was simply failing to meet its financial targets. By contrast, Wojciech Gilewski's view, supported by his colleagues in the Faculty, is that, firstly, the University had unrealistic, excessively short-term, views about the Unit's likely profitability; and secondly, that the Rectorate were unused to engaging with external professional demands and so were unsympathetic to the Unit's work.

We seem to see here a coherent view about external opportunities developed in the Faculty as a result of the project; but the view from the centre was very different. Wojciech Suchorzewski thought that the central University, "dominated by conservative professors", placed a low priority on real-world engagement of the kind stimulated by CEEPROADS. This was particularly galling when, so far as the Faculty staff were concerned, an attractive commercial opportunity had presented itself. It appears, then, that social capital formation in the Faculty had placed it at odds with the centre, which saw the world in a different way. As another Faculty member, Wojciech Radomski, put it in a quiet, understated way: cooperation within the central University "could be better".

The views of WIL staff about the University's management are consistent with a 1997 survey of academic-industry relations in Poland. This found that the transfer of technology or other expertise from the universities to industry was extremely limited, with little interest in such activities apparent on the part of the higher education sector. The technical universities did however show slightly greater effectiveness in this respect than did the research institutes of the Polish Academy of Sciences, supposedly established for this purpose (Jasinski, 1997). At the time of this survey, the spin-off firm was a virtually unknown concept to Polish higher education: we may note, then, that IKKU, the spin-off firm from CEEPROADS, established in 1999, was a pioneering endeavour, for which the TEMPUS programme can take some credit.

At UTCB, the faculty structure had been recently reformed, reducing the number of faculties from six to four. This was viewed as a major achievement by Dan Stematiu and Radu Drobot, a Pro-Dean, in which entrenched resistance from academics unhappy with the change had been overcome. The change was seen as providing more coherent academic groupings, more relevant to the needs of students and industrial partners. It was thought that the change had only been possible because of the greater financial freedom which the University now possessed - before, the proposal would have become bogged down in Ministry politics and bureaucracy. Thus, the national-level change, supported by international programmes, had facilitated a significant change in the University's structure.

While Dan Stematiu mentioned that this structural change was partly stimulated by staff seeing foreign models of university organisation during their TEMPUS

visits, it also seemed probable that the social capital created by project work - the networking and the idea-sharing - had played a part in achieving this change in the face of determined opposition.

Tension between the centre and the faculties is a significant feature of the Humboldtian university structure in modern conditions. Pressure from government tends to be applied at the centre, while academic values are asserted in the faculties: this is the "polarised distribution" indicated in the model in chapter 7 (table 2b). Kehm et al. report from their study of the TEMPUS programme that there was widespread support among their survey respondents for "strong faculties", on the grounds that these would be "less vulnerable to inappropriate infringements of academic freedom" (1997: 300). It is not clear what kind of infringements these respondents had in mind, but it seems conceivable that WIL's disagreement with the centre might be one such. If "academic freedom" in the usual Western sense of the term - of being able to teach and research within the law without political or similar restraints - were at risk, then it seems likely that a strong, large university would normally offer a better defence than a relatively small faculty, with few organisational resources.

UTCB's Director-General Administration, Mihaela Constandache, and the Chief Accountant, Paula Iliescu, had taken part in a Phare project component involving the development and implementation of a large-scale management information system (MIS) across the Romanian higher education sector. Paula had in this connection attended a conference in France organised by the Phare project. The MIS had, she said, affected the work of finance staff in UTCB considerably: greater devolution of responsibility was now possible, as the computers now allowed each person to work at a particular task, with the results being later shared. Moreover, because the University now had multiple income streams (Ministry funding, student fees, income from international sources, commercial earnings, and so on), individual members of the finance staff were now responsible for a particular source of funds. Paula welcomed the changes, which she felt had enriched people's jobs, and her involvement in the project had given her a widened professional perspective. Members of her staff not directly involved in international projects were now being affected: change was on the agenda for everyone in her department.



Paula mentioned two problems, though. One was that the Rector had not adjusted to the new way of working: six senior administrators reported directly to him, in addition to the Pro-Rectors and Deans. This large span of control slowed down decision-making, thus losing some of the benefits gained through computerisation. The Rector could not, she said, be persuaded to change this structure - "he thinks it's fine".

The other problem was that the Phare MIS project component had now come to an end. As a result, the central technical support team had dispersed, and no funds were available to support software or hardware maintenance or upgrading. She had raised this difficulty when the project was operating, but did not now know what would happen when problems arose with the system, as they inevitably would. The same point about the lack of continuity of projects was mentioned by other informants: to Anna Tanasescu, it seemed that work on the human resources aspect of the MIS project had simply stopped with no warning. Even though the World Bank programme and the Phare project lasted nearly six years overall, their individual components - and most people only interacted with one or perhaps two components - lasted for much shorter periods. Projects begun with funding from the programme then usually simply came to an end.

Paula's comments highlight common difficulties with technical aid-funded projects. Firstly, the purely technical benefits of a scheme may be vitiated if organisational changes are not made at the same time. Secondly, the short-term nature of such projects may have the effect of storing-up problems for the future when capital investment requires expensive maintenance or upgrading. Neither are new problems, but were apparently not addressed by the international programmes here.

The TEMPUS projects in which UTCB has been the lead Romanian partner have led to other changes in the University's way of working. Radu Drobot described how the University's administrative and finance staff had to grapple for the first time with Romania's notoriously baffling customs regulations when arranging imports of equipment purchased through a TEMPUS project, CESNET, which he was directing. In one case, it proved literally impossible to import certain items because the documentation required by the customs authorities could not be obtained, despite advice from a customs service contact of one of the administrative staff. (A Western organisation in Romania would have assumed

that this was a tactic by customs officials to exact bribes, but I was assured that this was not the case here: the officials would know that the University could not afford to pay.)

These challenges, Radu said, had created a "new mentality" (or attitudes) among the staff involved, with academics and finance staff working as a team to try to overcome the difficulties in their way. There was a new understanding that cooperation and flexibility by all concerned were needed, particularly in dealing with rigid financial regulations, and that "the finance staff have become more imaginative as a result". This had caused him to revise his opinion that they were of only "average intelligence". The fact that the project was "a reality", rather than a bureaucratic task imposed by the Ministry, had also been an energising influence, he thought.

These changes seem important, apparently showing a further degree of erosion of the Humboldtian rigidities. There has been organisational change aimed at modernising the academic organisation and improving links with external stakeholders; enhanced responsibilities for administrative staff reflecting a more varied operating environment; a sharing of information; and the experience of working together towards a common goal. As I have suggested, the need to respond to market pressures seems incompatible with the classical Humboldtian structure, and these changes point in this direction. But we should note that the international programmes had not actually addressed the structural implications of the Humboldtian organisational tradition directly, although their programmes affected it.

### **Teaching and learning**

Teaching and learning was one area where the impact of international programmes had been rather similar in both UTCB and WIL. In both institutions, staff accustomed only to the highly didactic traditions of Eastern European higher education had been exposed to other approaches; and this had led to new thinking.

Anca Lobaza, the young Director of UTCB's new computer-based Learning Centre, explained how she thought the Centre would affect both student and staff

attitudes to teaching and learning. The Centre had been funded from the Phare project, and was based on models of open learning which she and her colleagues had observed on visits to the UK and France, financed by the project. Its creation had been championed at top-level in the University by Pro-Rector Iordan Petrescu, impatient to introduce new approaches to teaching and learning following his experience with the distance-learning EUROHOT project: change in one area of the University thus stimulated change in another. Anca had found that students were enthusiastic about the opportunities offered by self-directed computer-based learning, which contrasts strongly with the formal, ex-cathedra style which is usual in Romanian universities (Marga, 1998: 20).

The new knowledge from abroad could not easily be re-embedded in the University's established processes, though. The implication of the Centre's work was that academic staff would lose some control over student learning, once the students had ready access to a wide range of materials on which they could work in their own ways. This had led to resentment among some staff, partly because of a perceived undermining of their traditional status, and, more practically, because of the possibility of lower pay resulting from reduced teaching hours. (Romanian students' studies, and academic pay, are defined in terms of student contact hours.) "At first," said Anca, "teachers didn't understand what was proposed; now they do, they're unhappy."

Dan Stematiu at UTCB told how, during TEMPUS exchange visits, the observation of the academic content of courses in Western universities, and the varying pedagogies used in their delivery, had persuaded the University to reduce weekly student contact hours from 36 to about 26, to provide more time for independent study. He felt that the new figure was still too high, but it was only possible to move so far at a time. He noted that this change had only been possible because "curriculum change was now entirely within the University's powers", rather than being controlled by the Ministry. As with the new faculty structure, this is an example of how a reduction in central control, part of the shift towards the state supervising model, can foster local innovation. The changed relationship allowed the University, Dan believed, to "keep what's best from the past and start new things".

At WIL, Roman Nagorski thought that the experience of the CEEPROADS project had changed the thinking of the academics involved from one of "what can I say

to this audience?", to one of "what does this audience want to know?". That is to say, through dealing with fellow-professionals outside the University, with specific, practitioner learning requirements, rather than with students needing to pass examinations which they themselves set and examine, the academics had been forced to re-appraise their approaches to teaching and learning and to develop more learner-focused methods. There was, though, no evidence that this new approach had led to changed methods in respect of the Faculty's own undergraduates and postgraduates.

Another WIL project, VINE ("Virtual Interactive Nice Education"), developed under the EC's Socrates programme, had been specifically aimed at changing the culture of teaching and learning by providing student-centred, on-line modules in various civil engineering topics. Robert Gajewski, at the Faculty's Centre for Computer Methods, who had been heavily involved, said that initially he had thought that seeing VINE working would encourage his colleagues to produce computer-based learning materials for their own courses. But this did not happen: so far as he could see, there was "complete non-interest". His colleagues saw no problems with their existing teaching methods and materials, "and anyway were too busy" - often on consultancy or teaching work outside the University. The students who had tried out the VINE materials, though, were said to be enthusiastic, and had asked for more such materials.

This closely parallels the UTCB experience: enthusiasm on the part of the students and lack of interest, or even hostility, on the part of the majority of academics. However, while UTCB seems to be on track to institutionalise student-centred on-line learning through the Learning Centre, no such steps have been taken at WIL. This may in part be due to the relatively limited resources available to a faculty, compared to the University as a whole in the UTCB case. While the faculty can offer coherence and flexibility, it can be harder to institutionalise and spread new ideas.

In the case of the UTCB Learning Centre, we see how an international project, by supporting a relatively minor (by Western standards) innovation, has generated pressures and anxieties about change which have spread across the University. It was suggested that the Centre was viewed by some staff as part of a wider plan to undermine pedagogic traditions, of which the reduction in contact hours formed part. From a social capital perspective, the issue is one of lack of trust. It

was naturally not a stated aim of the Phare project to sharpen the conflict between the traditionalists and the modernisers in the universities, but that has been one of its outcomes in this case. I also concluded that Iordan Petrescu's championing of the project had almost certainly been vital in protecting it from internal opposition.

It is interesting that the conflict seems to have been less acute at WIL, where lack of interest rather than hostility seems to have predominated. My sense is that while UTCB academics felt threatened by both a potential loss of power over their students, and also a potential threat to pay, the WIL academics, busy with their external enterprises, simply did not wish to devote time and energy to a, to them, unrewarding new task. There is perhaps here a connection to the different historical legacies of the two institutions - of repression and anxiety at UTCB, of being outward-looking and energetic at WIL. Also, the initiative at WIL did not seem to have the senior, effective champion within the institution which the UTCB Learning Centre acquired, which may be why the WIL initiative has not become institutionalised.

We might also read these episodes as attempts at re-embedding in the organisation disembedded knowledge coming from an unknown source. In both cases, the new idea was received by many with either distrust or indifference. It seems plausible that low levels of social capital made these attempts at re-embedding harder than they might otherwise have been: suspicion, rather than trust, was the dominant feeling.

Anca Lobaza at UTCB thought that the students, having experienced through the Learning Centre the pleasures of being autonomous learners, would now press for further reforms in the same direction. Robert Gajewski at WIL thought that similar pressures would arise there also. If so, the traditionalists' fears at UTCB are well-founded, and WIL staff may encounter future difficulties. Latent conflict has been brought to the surface, no doubt to be played out in future decision-making in the two institutions. Higher levels of social capital may make these conflicts easier to resolve.

## **Creating and using social capital**

I have shown that the effects of the international programmes, while superficially similar in both institutions, have been different once a deeper study is made. These differences can usefully be thought of in terms of social capital creation and use.

Although both institutions are, as I have shown, within the same organisational tradition, their differing sizes and structures have had important effects. The TEMPUS projects examined have been successful in creating social capital, particularly through team-building and developing a wider sense of trust across the organisation, but these benefits have been deployed in different ways in the two institutions. I have suggested that the effects may be thought of as being centripetal at UTCB, and centrifugal at WIL.

In both institutions, a focus on "management reform" in a project would probably have rendered it ineffective: the Humboldtian tradition would be likely to ensure that it was ignored or subverted. This is what Coulter found in her study of a research institute in Belarus, when something on the lines of "the planned approach" to organisational change (chapter 5) was attempted. Senior staff lacked interest in driving change forward, to the bemusement of their Western partners (Coulter, 1998: 50). But as Kehm et al. found (1997: 285), universities generally across the region saw no need to pursue organisational change initiatives. Instead, the focus on academic development in TEMPUS projects has allowed organisational change to occur more subtly, often without it being widely noticed.

At UTCB, some of the managerial weaknesses of the Humboldtian and communist inheritances have been addressed, by developing new skills and new structures. The relatively cohesive nature of the University, reflecting its medium size and shared professional focus, has facilitated this, and previously-lacking trust between academics and administrators has been developed. The social capital thereby created has led to new, more positive attitudes. At WIL, the weakness of both central University and Faculty management, and the disengagement of the two, has meant that social capital developed through the international projects has, in effect, been deployed outside the institution in

entrepreneurial ventures. The international projects have apparently had little organisational impact within the institution, either at Faculty or University levels.

In both instances, what we may be seeing is the effectiveness of TEMPUS projects as both providers of disembodied knowledge *and* creators of social capital. By encouraging learning and the development of shared meanings, as discussed in chapters 4 and 5, the projects have enabled these new ideas to be re-embedded in the specific, local, organisational setting. It is this dual role that has probably made TEMPUS projects so effective in generating change, in comparison with the externally-directed Phare project in Romania, which provided disembodied knowledge, but with no means of re-embedding it.

### **Distributing and using information**

I have noted earlier that social capital theory emphasises the importance of the distribution and use of information in creating effective societies, and organisations within them. Fukuyama argues that firms characterised internally by high levels of trust, which we may think of as possessing high levels of social capital, are more effective commercially due in part to improved internal information flow. Their costs tend to be lower, they innovate more readily, and react more quickly to external events as a result of greater delegation of responsibility through the organisation (Fukuyama, 1995: 27). These abilities depend, crucially, on information being shared readily and acted upon. In universities, I have suggested, the collegial or distributed model of management achieves similar outcomes.

Universities in Poland and Romania have not traditionally exhibited the characteristics noted here of organisations high in social capital. Information flow has been poor, due in part to the organisational rigidities of the chair structure discussed earlier, and also to the lingering effects of authoritarian (or worse) methods. But we have seen at UCB how involvement in TEMPUS projects stimulated information flow, when new and pressing demands, outside the normal routine, were made. Similarly at WIL, informants referred to the greater feelings of team membership, helping to break down the chair-induced rigidities within the Faculty. There was also a strong sense in both institutions that because the tasks

were perceived as “real”, not bureaucratic impositions, people were more prepared to work together.

It may be that one of the most important outcomes of the international projects for the universities will be this aspect of social capital formation: the move away from the zero-sum notion of information exchange - your gain must be my loss - to one where information is shared, for mutual benefit. Again, projects designed simply to impart new, disembedded, information are unlikely to achieve this outcome.

Information exchange beyond the institutions' boundaries had also been stimulated: at both UTCB and WIL, the TEMPUS projects in highway engineering had brought staff into direct contact with people they now thought of as clients in the national highways agencies and in construction firms. However, at WIL, improved information sharing with the central University management had not occurred; relations had possibly even deteriorated as a result of the projects. The creation of social capital in the Faculty had not been able to affect relations with the centre; the levers of change here were, seemingly, beyond the grasp of those involved with the projects.

### **Traditionalists and modernisers**

I have outlined the particular forces which resist change in the Humboldtian university: the communist inheritance makes the struggle for change even more daunting. The two institutions studied here entered the post-communist world with structures and processes that would in their essentials have been familiar to nineteenth-century university staff in their two countries. The modernisers at UTCB and WIL thus faced challenges of major proportions.

However, there were in the 1990s (and still are today) important differences between attitudes in the two institutions. Academics at UTCB saw themselves as struggling to re-enter the world of international academic and professional cooperation after the dark night of Ceaușescu's rule, and to gain competences in modern techniques. At WIL, in contrast, the relatively tolerant climate of Polish communism, with the greater access which it allowed to Western ideas and techniques, meant that academics were more self-confident about what could be



achieved. But even at WIL, change was not easy. In both cases, the historical context continues to condition organisational change today.

Dahrendorf has identified the role of "champions of social change...venture social capitalists" in starting the process of change in universities in the former communist states (Dahrendorf, 2000: 12). UTCB was fortunate in having a number of such individuals on its staff - people such as Valentin Anton and Iordan Petrescu - who were prepared to incur the displeasure of some of their colleagues by pressing for change. The international programmes, particularly TEMPUS, gave them an opportunity, a framework within which they could generate change, initially on a small scale, but later rippling out across more of the University. Several informants took the view, however, that the conflict between the traditionalists and modernisers was far from being resolved.

People taking on the same sort of roles can also be identified at WIL - Wojciech Gilewski and Roman Nagorski in particular - who used TEMPUS and Socrates projects to stimulate change, even though the outcomes were rather different to those at UTCB. Both institutional structures and cultures, and national experiences, conditioned the ways in which international projects affected the two institutions.

In both institutions, the people mentioned here might be thought of as occupying positions which link different networks together across "structural holes" (Walker, Kogut and Shan, 2000). Iordan Petrescu at UTCB both helped to initiate, and linked together, different TEMPUS projects, and, more importantly, tied them into the management processes of the University. At WIL, Wojciech Gilewski similarly linked the Faculty's various projects, although he was unable to create the University-level structure which he thought would sustain the continuing professional development activity which CEEPROADS had begun. It seems likely that, in the settings studied here, with relatively unresponsive institutional structures, the task of tying project outcomes into the organisational structure is a more significant one than that of linking different networks.

Valentin Anton at UTCB, a man in his early 50s, described the difficulty of introducing new ways of teaching and learning in his field of civil engineering. He believed that the communist-era *mentalitate* of avoiding uncertainty and risk was at the root of much of the resistance to change. One's professional education

under communism had, he said, been designed to provide the fundamental ideas on which all later work rested, and reluctance to modify this personal investment made it harder for people to adopt new ways. But he was sure that it was not possible to wait for people slowly to adapt to new ideas: the pace of change had to be forced. His approach to change management was "propaganda", allied with complete openness about what was proposed, followed by rapid implementation.

Younger staff were more open to new ideas, and Valentin had deliberately involved them in international projects and sent them to the West. Being able to observe different ways of working, in different systems, had been far more important than the new equipment which the projects had funded. The international programmes are "changing our life", he believed. Radu Drobot said that the programmes were indeed changing lives, though not as those devising programmes such as TEMPUS had intended: up to 40% of his students taking part in international exchanges left Romania for good, having tasted life in the West. (This, incidentally, seems a high figure, as the trans-national evaluation found that "the 'brain-drain' effect of the TEMPUS programme to Western countries was generally viewed as small" (Kehm et al., 1997: 310). It may be that Romania, or UTCB in particular, were more strongly affected than other countries or institutions: possibly Romania's relative poverty combined with the possession of marketable skills encouraged movement. This is another example of the need for institution-level studies of such matters.)

Robert Gajewski at WIL is an example of a younger member of staff who had taken the opportunity offered by international projects to develop expertise in a new field, on-line learning, even though his colleagues subsequently showed "non-interest" in applying his work themselves. Despite this setback, Robert is persisting with his work, because of its intrinsic interest for him, and because he believes that students will increasingly demand such flexible approaches. As a result, he is developing a new project for a "virtual polytechnic" in conjunction with a consortium of Polish technical institutions: he wanted, he said, "to make something happen as a result of my work" on the VINE project.

Might we detect in some of these views the first traces of a profound shift in attitudes, from what has been termed a dialectic of powerlessness towards a dialectic of empowerment (Giddens 1991: 150)? Some of my respondents seemed to be taking responsibility for change on a broader social canvas, moving

in almost dramatic ways into, as it were, new parts of the grid representation in table 2. I speculate that the creation of social capital within their academic institutions, through the international programmes, has empowered them to take on these new, wider roles.

But why were, for example, Valentin Anton and Wojciech Gilewski, men whose social and professional understandings had been formed under communism, so interested in change, when many others of their generation were not? "Poland has to move on", was as far as Wojciech was prepared to go by way of explanation. Valentin could only shrug in response - it was just the way he was. Dahrendorf (2000), reflecting on his experiences on the jury of the Hannah Arendt Prize, awarded between 1995 and 2000 for innovations in higher education in Central and Eastern Europe, can offer no better explanations of the roots of change.

## 10 Managing change in higher education: some implications from this study

### Social capital theory and its implications for managing institutional change

One of my aims in this study has been to show that social capital theory provides a powerful tool to help understand organisational change and effectiveness in higher education. For my case study institutions, I have sought to show that the international programmes with which they have been involved have contributed to organisational change by supporting the formation of social capital. As universities drawing on the Humboldtian tradition, with recent histories conditioned by the authoritarian regimes under which they have operated, social capital stocks were low. Its formation has, generally speaking, led to improved internal cohesion and effectiveness, or has encouraged new, outward-looking developments. Both dimensions are essential for the effective working of a university.

Organisational change in universities everywhere raises distinctive issues, though not necessarily different in kind from those in other knowledge-intensive organisations. But "change", certainly when considered in an institution as complex as a university, is too broad a category to be analytically helpful, and I have explored some of the dimensions along which it might be helpful to think of change in more specific ways. In particular, the distinction between fundamental, radical, change, affecting the core intellectual business of the institution, and the less central, organic, changes in processes and structures, is an important one. The former type of change, with an inevitably long gestation period, has not been captured fully by a study such as this, though I suspect that social capital is implicated here too. An example is the way in which new attitudes towards teaching and learning are beginning to develop as a result of work undertaken on international projects. I have also shown how changes of the organic type are supported by the existence of social capital.

The ways in which social capital might be created within organisations appear to be given rather limited consideration in the literature: its existence or absence often appears to be taken as a given (when it is not overlooked entirely). But it is surely a matter of central significance if the application of social capital is

considered important, and if it is to be encouraged. I suggest that, in organisations, social capital formation is to a considerable extent driven by the informal learning which goes on in people's everyday work, through which networks are created, strengthened and extended, trust is built up, and what I have called tacit employment contracts are entered into. Burton Clark is perhaps considering processes of these types when he suggests that "the dynamics of ambitious collegial volition", created in an institutional social setting, are at the heart of what he regards as effective university organisation and management (Clark, 2003). These informal linkages and dynamics are easily overlooked when organisational change is being planned, and their destruction is perhaps a reason why change often leads to unhappiness amongst those being planned for: "social structures which do not positively promote reliance on others in a crisis instill the more neutral, empty absence of trust" (Sennett, 1998: 142).

The findings reported in chapter 9 provide empirical support to the theoretical model of institutional change proposed earlier (figure 2, chapter 5). Networks, and the trust which they engender, facilitate learning and the re-embedding process necessary in modern organisations for handling knowledge coming from external sources. In universities, I have argued, disciplinary networks are highly significant here, contributing to shared understandings and visions. The initial stock of social capital is enlarged during this learning process, and is then available for other purposes. Institutional culture and structures may change, and encourage further social capital formation. In my case studies, I have shown how the international projects have supported this network- and trust-building; this has then facilitated further structural developments, either inside or outside the institution. A virtuous cycle has thereby been created, as proposed in the model.

Other studies of organisational change have also identified trust, networks, shared ideas, and other linked social phenomena, as features associated with effective change (Pettigrew, Ferlie and McKee, 1992: 281). These studies have not generally, though, examined the possibility of social capital being an underlying, unifying force in achieving change.

Effective knowledge-intensive organisations are generally characterised by collegial, or distributed, management styles: when the key resources of the organisation are the ideas inside people's heads and their desire to develop them, a strongly dirigiste approach will usually be self-defeating. Some of the

international projects have helped in the development of collegial management, by providing opportunities for people to do new things in new ways, which may then be incorporated into the organisational mainstream. Junior staff seem particularly to have been helped in this way to create their own new tacit employment contracts. These things have happened because social capital has been created.

### **Change in the case study institutions**

The changes in the case study institutions which may be considered to result from the international projects are not, at first sight, of major proportions; but they need to be considered against organisational contexts which have seen little significant change for a generation or more. The TEMPUS projects examined here, and other projects which took a similar form, such as UTCB's Learning Centre, have stimulated change beyond the immediate confines of the projects themselves. I have proposed that the forces involved in creating these wider effects can usefully be thought of in terms of social capital. The wider changes to national systems provided the essential context for this institutional change, again as indicated in the figure 2 model.

The positive changes (according to my respondents) which this research has identified as resulting from the international projects may be summarised as:

Table 8  
*Types and examples of institutional change*

<i>Type of change: positive</i>	<i>Example from this research</i>
New attitudes generally	UTCB: TEMPUS generally
Improved academic understandings	UTCB: EUROHOT project
Team building within the academic group	WIL: CEEPROADS project
Building shared commitment across the institution	UTCB: CESNET project
Improved teaching and learning methods	UTCB: Learning Centre
Improved links with external stakeholders	WIL: CEEPROADS project
Links with new international partners	all TEMPUS projects

But as I noted earlier, organisational change may often, in the short-run at least, produce certain negative consequences. According to my respondents, negative outcomes from the international projects have included:

<i>Type of change: negative</i>	<i>Example from this research</i>
Conflict among academic staff	UTCB: Learning Centre
Conflict between Faculty and central University	WIL: CEEPROADS project
Staff focus on maximising private income from external sources	WIL: CEEPROADS project
Creation of student expectations that are not met	WIL: VINE project
Development of potentially inappropriate systems	UTCB: Phare MIS elements
"Brain drain" to the West	UTCB: TEMPUS generally

The institutions studied here are both specialist universities with strong professional orientations, and so are reasonably typical of many higher education institutions throughout Eastern Europe. It seems likely, though, that the professional orientations of the academic staffs contributed to the effectiveness of the TEMPUS projects, for example by supporting the creation of external networks in the EUROHOT and CEEPROADS projects. It is possible that findings from a Polish or Romanian "classical" university would not show such strong social capital formation from analogous projects.

### **Implications for the design of international projects for higher education reform**

The research reported here suggests that, at least in the context described, the design of international projects can have a major impact on their effectiveness. In Romania, the large-scale, well-funded, nationally-directed Phare project appeared to have limited impact on the UTCB staff who took part in its activities. While some effects were detectable, they were negligible when considered in relation to the large project budget. In Poland, the Multi-country project similarly seemed to have little impact, although I have very limited data in this case. However, my finding on this point is consistent with an evaluation of the public administration reform element of the Multi-country projects, which found that they

tended to be driven by European Commission officials and the technical assistance contractors, rather than by the beneficiary organisations. This evaluation found that, as a result, "the prospects for sustainability were poor or non-existent" (Phare, 2001: 13). My findings suggest that the same could be said of the Romanian Phare project.

In contrast, the locally-managed, individually much smaller, TEMPUS and Socrates projects appeared to be both relatively effective in achieving their stated goals, but also generated wider changes through the institution. This is consistent with the findings of Kehm et al.'s trans-national evaluation of the TEMPUS programme (1997: 232).

This difference is probably due to several factors, including better day-to-day management of the TEMPUS projects, and others of similar type, as a result of their local, institutionally-grounded "ownership". At a more theoretical level, the differences in the effectiveness of projects can be considered in terms of their success in forming social capital. Where the structure of the project - as with the Phare project in Romania - required no particular institutional commitment, merely passive participation, there was little or no social capital production, in the sense of network-building or the establishment of trust. As a result, organisational change - the overall objective of the project - was extremely limited, and insofar as it did occur, was probably not sustainable: there were no new understandings, no trust or networks, available to take forward change into new organisational domains from the individuals who had been directly involved in the project.

By contrast, I have produced evidence which suggests that TEMPUS projects at both UTCB and WIL created social capital as a result of the design of the programme overall and of the individual projects. The requirement for projects to emerge from the bottom up ensured a high degree of local commitment, as the project aims were ones which reflected the intellectual and professional interests of the academic staff who would be managing them. Additionally, the quite extensive foreign travel involved in most TEMPUS projects was undoubtedly an attraction to many people in Eastern Europe to whom, in the 1990s, it was still a prized luxury.

Studies of programmes of organisational change in the business sector in the West have reached some similar conclusions. "The failure to link...programmes



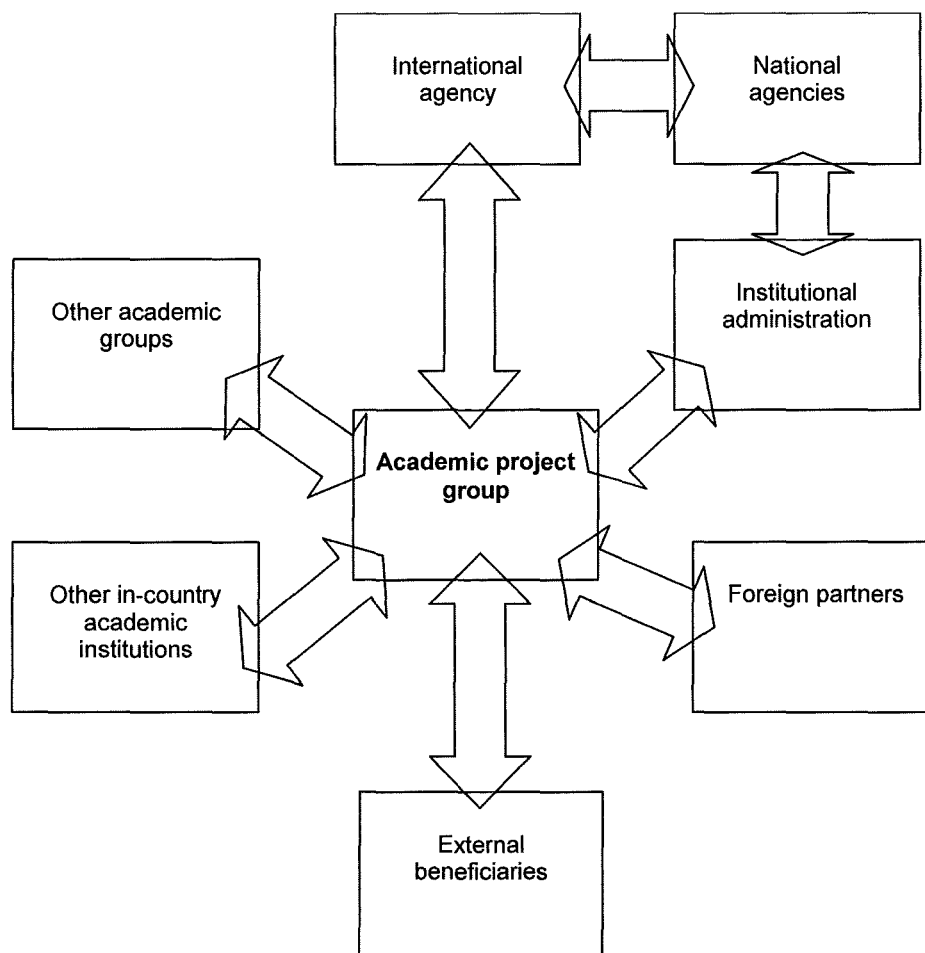
[of change] to local business needs and political interests" typically led to ineffective efforts at change within firms. However, where change was managed by groups within large firms almost "as a voluntary organisation", greater success in achieving sustainable change was observed (Pettigrew, 1998). There appear to be parallels between these findings from the study of firms, and my findings about the Phare-type activities, somewhat disconnected with the real life of the university, and the contrasting, effective, "voluntary" character of TEMPUS projects.

To carry out TEMPUS projects, it was necessary to build networks, internally and externally to the institution. Given the range of organisations involved, nationally and internationally, this could rapidly lead to a dense and complex structure. Figure 4 represents in simplified form the way the most important information exchanges taking place within the network for a TEMPUS project, such as EUROHOT at UTCB or CEEPROADS at WIL, might appear.

It is apparent from this that the academic group at the centre of a TEMPUS or similar project needs to develop sophisticated networking skills to manage its project successfully. The length and intensity of the TEMPUS projects, each running over several years, often metamorphosing into new projects, seem to have been factors in developing these skills, in contrast with the relatively short-term involvement which staff had with the Phare project. It is likely that this kind of network-building creates significant externalities - that is, changes spilling over from the project itself. These new ways of working could be applied to other fields of activity, new tacit contracts would be created, and the networks could be used for new purposes. The development of the UTCB Learning Centre, as a result of ideas stimulated by an earlier TEMPUS project, provides an example.

For the Multi-country projects, it seems likely that, given their structures, their effectiveness fell somewhere between the Phare and TEMPUS examples described here. While there appear to have been varying degrees of local commitment, the projects seem generally to have been driven by the Western contractors, somewhat on the Romanian Phare model.

Figure 4  
*Network for an international project*



If, then, the objective of an international project is to achieve organisational change in higher education institutions, specifically to enhance flexibility and the ability to innovate, the starting point must be a close understanding of the fine internal structures of the institutions in question. I have argued here that the international programmes failed to appreciate the subtle but essential differences between the strong version of the continental mode of university organisation, found in Poland and Romania, and the Anglo-American model. The weakness of central institutional management in the continental mode, certainly as found in the former communist states, meant that top-down managerial initiatives were unlikely to succeed: the faculties and chairs had enough power to prevent unwelcome change emerging from the central bureaucracy.

Instead, the emphasis in project design should have been on engaging the interest of the academic staff, and in supporting academically-driven projects which required substantial networking activity, internally, externally and internationally. In other higher education traditions, a different approach might be more effective; but the starting point should be a proper understanding of the institutional processes and structures of the case at hand. The study by Berg and Östergren of innovation in Swedish universities reached similar conclusions about the importance of working with the grain of organisational structures when planning change (1977: 124).

The need to tie the outcomes of successful projects into the main organisational structure, to ensure sustainability and transferability, is also important, as studies of change within firms have also shown (Pettigrew, 1998). In the organisations studied here, this is probably a more crucial task than that of bridging the structural holes between networks, on which other writers have placed emphasis (Walker, Kogut and Shan, 2000). Senior people who carry weight in the institution, and who are committed to the project, such as Iordan Petrescu and Wojciech Gilewski, are vital here.

A clear difference between the impact of TEMPUS at the two case study institutions is apparent, reflecting, I suggest, the different national experiences involved. Although in both cases the TEMPUS projects were successful in forming social capital, the ways in which this capital was deployed were different. At UTCB, the international contacts supported by TEMPUS produced a revelation: professional and, indeed, human understandings were changed. Opportunities were provided to overcome the limitations imposed over recent decades by the closed and repressive nature of Romanian society, and the intellectual barriers that had resulted. The extremely rigid organisational structure of the University began to unfreeze: networks developed, and risk-taking began to appear.

At WIL, by contrast, the changes were, in these senses, less profound. This probably reflects the more open society - authoritarian, rather than totalitarian - which had existed in Poland throughout most of the post-war period. Although the organisational structure of the University showed distinct rigidities, the benefit of the projects seemed to be directed outwards, to develop new external partnerships, rather than inwards to create improved institutional structures. This perhaps results in part from the much larger institutional scale in Warsaw

compared with Bucharest. In Warsaw, individual faculties felt more distanced from the University as a whole than in the smaller, more disciplinary-coherent UTCB. There was also at WIL more of a sense of "normality" about the outcome of the projects: they were seen more as being useful business opportunities, rather than the near-epiphanies they were sometimes reported as at UTCB.

The extent of change in the national higher education system is also an important factor. The relative flexibility which began to be created in the Romanian system in the later 1990s, particularly in the way that finance was managed, allowed UTCB staff to initiate changes in a way that would not have been possible a few years before. The contrasting rigidity of the Polish national system may help to explain the outward-directed nature of developments at WIL: there seemed no point to the staff involved in pursuing internal change in a largely unreformed structure. The impact of international projects in supporting system-level change is outside the scope of this study, but it appears to have been significant. (I note that projects aimed at achieving changes to national-level systems are quite different in character to such projects as the Romanian Phare, which was national in scope but delivered in institutions.)

It is difficult in research of this type to separate the personalities and motivations of the key actors from the result of the interplays of wider forces and structures. But it is easy to sympathise with Dahrendorf's wish to focus the prize money, which he was charged with allocating in the later 1990s, on the university "venture social capitalists" of Eastern Europe who were most likely to be "champions of social change" in their institutions (Dahrendorf 2000: 12). It is no doubt unrealistic to expect that international agencies would be able to adopt the *ad hominem* approach open to Dahrendorf and his colleagues, with private funds at their disposal. But it seems to be the case that, in my studies, a small number of individuals have played fundamental roles in starting the projects, keeping them going, and then using their outcomes for new ends. Identifying such people, and supporting their efforts in carrying out the tasks which lead to social capital formation, seem likely to be cost-effective ways of introducing sustainable change in institutions of the kind described here.

### **Limits of this study and possibilities for further research**

Although the empirical basis of this study is small, I suggest that its comparative, multiple-case study, approach renders it relatively robust: because findings about the impact of international projects in two institutions, in different national settings, point in the same direction, it is reasonable to accord them a degree of reliability. Naturally, further similar studies, in other transitional countries and studying other institutional types, could add to the reliability of the findings. I have noted in chapter 3 the issues of sample selection and size for my interviews: in terms of qualitative findings, I have no reason to believe that larger samples would have produced significantly different results.

I have noted the main conceptual and methodological difficulties of working with social capital theory, discussed extensively in the literature (Portes, 2000; Schuller, Baron and Field, 2000; Lin, 2001; Schuller, 2004). Despite the drawbacks, the theory, which is still relatively novel, is considered by most writers in the field to offer a means of generating new insights into the complex area where social, economic, political and organisational issues intersect; a view which I share.

I had wished to be able to anatomise more precisely the various networks of which my respondents were members (in terms of network size, period of membership, roles, and so on). However, the variability of the networks, reflecting the continuation of projects over several years, with changing activities, meant that respondents were unable to provide unambiguous accounts of these matters. Even if I had been able to obtain these data, it is not clear that useful conclusions could have been drawn, given the protean, relatively informal nature of the networks involved. Networks in my case study institutions did not, it seems, possess the solidity of structure which Burt (1997) found in his study of managers in an unnamed American electronics company, which allowed him to chart precisely the networks and the individuals who linked networks across the structural holes which separated them. I am confident, however, that I interviewed the key network members in both institutions, and I indicate the individuals who carried out these linking roles.

In terms of further research, I propose that this study indicates several avenues for possible exploration. One avenue would involve, as noted, further case

studies on the impact of international projects on different types of higher education institution in other transitional countries. This work could provide additional evidence to guide international agencies in formulating their programmes in this area. The case for doing so, certainly in cost-benefit terms, seems strong.

Another avenue for research would be to study social capital formation in higher education more generally, to identify both its benefits (and any disbenefits) in terms of organisational effectiveness, and to consider how its creation might be encouraged. Are particular organisational structures, management styles, or institutional types associated with high levels of social capital? We might then ask whether this social capital can be associated with institutional effectiveness: might it help to explain why institutions which appear to be apparently rather similar can achieve widely different academic and operational standards? If so, the implications for decisions about institutional organisation and processes are potentially large.

## 11 Conclusions

This study has pointed to two main findings: first, that social capital theory offers insights into understanding organisational change in higher education; and second, that, in the transitional countries of Eastern Europe, international programmes have helped to achieve change in higher education institutions largely to the extent to that they have supported social capital formation.

Both points carry with them some significant policy and research implications.

Study of the role of social capital in organisational dynamics offers insights into a number of aspects of the operation of higher education. It provides a means of integrating conceptually a number of apparently disparate features of university organisation: the longevity of the institutional form; the tradition of shared governance; the organisation of academic departments; and the connections with wider disciplinary networks. Examined from the perspective of social capital theory, these cease to be unrelated features and become instead, perhaps, aspects of the process termed by Barnett as "realizing the university" (2000: 104). Barnett's call for critical interdisciplinarity, self-scrutiny, engagement with multiple communities, and other tasks, demands the resources which social capital (and, I propose, only social capital) can organise for the university. It provides the flexibility which allows change to take place, without tearing the fabric of the institution.

I have identified here two main findings arising from this study: more precisely, they are two implications of the same finding about the centrality of social capital. The challenge for the designers of international programmes is to ensure that their projects help form social capital in the beneficiary universities, so that these institutions may then carry out their own "realization" projects. The (apparently) implicit objective of the international programmes, to produce copies of an ideal-typical Anglo-American university by altering the surface features of a Humboldtian one, is unlikely to succeed, even in its own terms. Instead, if the development of self-confident and effective institutions is the real goal, then universities in the transitional countries studied here, and in others, should be

helped to form social capital which they can then apply for the purposes of their own realizations.

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## International programmes in Eastern Europe: some personal reflections

During the decade from 1990, I worked regularly as a consultant, or "international expert" as we were grandly styled, on international projects intended to support higher education reform in Eastern Europe and in states of the former Soviet Union. These projects covered a wide range of organisational, administrative and academic topics, and were mainly funded, directly or in some combination, by the World Bank, the European Commission, the UK Government in various guises, or occasionally by the Soros or another private foundation.

In bars and restaurants, in cities between the Baltic, the Adriatic and the Caspian Seas, where the consultants working on these projects would gather in the evening, the talk would generally turn (after the usual consultant complaints about daily rates, expenses claims, and the risks involved in flying with the local airline) to the question everyone asked themselves: *why isn't it working?*

My various colleagues, a truly international grouping, had their own answers: in Romania, Rodolphe, a French "long-term" consultant (that is, one resident in the country) would simultaneously shrug his shoulders and roll his eyes to express his incredulity at the naivety of the question: of course it isn't working, he would sigh, don't you understand? - this is *Romania*. Even so, after a time, I formulated my own response, which I thought of as being organised under three main headings.

The first heading covered matters to do with the day-to-day management of the projects on which we worked. All the consultants had no difficulty in agreeing that each person's own, uniquely effective, contribution was being undermined by the appalling management of the project as a whole. But even allowing for this, the expectation gaps which typically opened up between the international funder, the local client, and the contractor working on the spot, were too wide for most project managers to bridge easily. There was sometimes a sense that managing a higher education reform project ought to be essentially the same process as managing, say, the construction of a power station: the need was self-evident; the techniques to achieve it were known; the resources were available. Why, then, was there a problem?

My second heading covered the uncoordinated and fragmentary nature of intervention by the international agencies. Projects started and finished according to political or administrative priorities in the donor organisation, rather than in accordance with local needs. (Looked at coldly, of course, how could it ever be otherwise? Whose money was it?) Consultants would stumble across other consultants working on an essentially similar project to their own, with neither funding agency realising (nor possibly caring - after all, there was a budget to be spent) that the other was working in the same field. Occasionally, two sets of foreign experts would be introduced to each other by the bemused organisation they had both been sent to work with. On the other hand, projects would be terminated because of a policy change in a distant agency headquarters, regardless of the effectiveness or desirability of the programme on the ground. No Western government would dream of reforming its education, or health, or administrative services, on such a haphazard basis.

But the more I thought about it, the more important my third heading became to answering the “why isn’t it working?” question. Perhaps this third heading helped explain why the problems under the first two headings arose in the first place. And it also meant that Rodolphe's answer was, actually, the right one.

A character in John Le Carré's novel *The Honourable Schoolboy* remarks to the effect that a desk is a dangerous place from which to watch the world. It seemed to me that people at desks in Washington, or Brussels, or London were planning projects which might possibly work in those places, but which failed to take account of how things were where we found ourselves. Was it this apparent failure of imagination, above all - seeing things which on a quick visit looked familiar, and assuming that therefore they were known - which created the problems with which we found ourselves struggling? This would at least explain project terms of reference which sometimes bore little apparent resemblance to local realities. But what was it, exactly, that was going on *here*, or not going on, which was not understood in the Western capitals? What was it about the universities, ministries, and other institutions which meant that well-meaning plans for them would fall apart once they were exposed to real life?

I wrote this thesis to try to find out.

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## Annex A

Map showing Poland and Romania



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**Annex B****Interviewees***At UTCB, Bucharest:*

Professor Valentin Anton, Pro-Dean, Faculty of Highways, Bridges and Railways

Dr Florian Burtescu, Faculty of Highways, Bridges and Railways

Mihaela Costandache, Director-General, Administration

Professor Radu Damian, Secretary of State for Higher Education in the Ministry of Education, and Professor of Hydrotechnics at the University

Dr Mihai Dicu, Faculty of Highways, Bridges and Railways

Professor Radu Drobot, Pro-Dean, Faculty of Hydrotechnics

Dr Daniela Hoge, Faculty of Civil, Industrial and Agricultural Engineering

Paula Iliescu, Chief Accountant

Professor Sorin Larionescu, Faculty of Building Services

Anca Lobaza, Director of Resource-Based Learning Centre

Professor Iacint Manoliu, Faculty of Hydrotechnics

Dr Dumitru Onose, University Scientific Secretary

Professor Iordan Petrescu, Pro-Rector, International Relations

Elena Plesca, Chief Secretary, Faculty of Highways, Bridges and Railways

Dr Florin Popescu, Faculty of Highways, Bridges and Railways

Laurentin Somia, International Relations Officer

Professor Dan Stematiu, Pro-Rector, Academic Affairs

Anna Tanasescu, Human Resources Manager

*At WIL, Warsaw:*

Dr Robert Gajewski, Assistant Professor, Centre for Computer Methods

Professor Wojciech Gilewski, Vice-Dean of the Faculty and Professor, Institute of Structural Mechanics

Dr Andrzej Minasowicz, Deputy Director, Building Construction Division, Institute of Building Structures

Professor Roman Nagórski, Bridges Division, Institute of Roads and Bridges

Professor Wojciech Radomski, Director, Institute of Roads and Bridges

Andrej Sambor, Transportation Engineering Division, Institute of Roads and Bridges

Barbara Symko, Project Consultant

Professor Wojciech Suchorzewski, Head of Transportation Engineering Division, Institute of Roads and Bridges

Professor Marek Witkowski, Vice-Dean of the Faculty

Professor Henryk Zobel, Deputy Director, Institute of Roads and Bridges

*Warsaw University of Technology, Central Administration*

Dr Roman Babut, Director, Centre for International Co-operation

Jadwiga Bajkowska, Senior Associate Director for Finances

Professor Lech Czarnecki, Vice-Rector for Academic Affairs

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## Annex C

## Interview Schedule

The following matrix provided the basis for my interviews. It offered, in relation to discussions about international projects and their impacts on the institution, a guide for the examination of how changes to national and institutional policies, processes and structures had affected the key functional areas of the organisation.

process/structure issues	functional areas			
	teaching, learning and research	finance	human resources	physical resources
institutional change overall				
institutional autonomy				
national funding arrangements				
management structures and processes				
internal devolution				
professionalisation of management				

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